



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

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

CONTRACT CHANGE NOTICE

Change Notice Number 2
to
Contract Number 210000001419

CONTRACTOR	HUMANS FIRST DETROIT
	440 Burroughs St. Suite 200
	Detroit MI 48202
	Kari Larson
	734-730-8884
	kari@civilla.com
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STATE	Program Manager	Holly Grandy-Miller	DTMB
		517-243-8710	
		Millerh1@michigan.gov	
	Contract Administrator	Adam Ashley	DTMB
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CONTRACT SUMMARY				
Human Centered Design (HCD) Services – Prequalification Program				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
September 1, 2021	August 31, 2026	5 - 12 Months	August 31, 2026	
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 45		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (PRC) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,260,000.00	\$3,000,000.00	\$4,260,000.00		
DESCRIPTION				
Effective April 22, 2025, the attached Schedule A - Statement of Work, Schedule B - Pricing, and \$3,000,000 are hereby added to the Contract for MDHHS. The Statement of Work is a continuation of previous work completed on Contract 210000000883.				
All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement approval, and State Administrative Board approval on 4/22/2025.				

CN 2: Schedule A – Statement of Work

Redesigning the Policy Navigation Experience

Overview

Currently, Economic Stability Administration (ESA) staff must conduct a slow and difficult search process across more than 6 digital locations to access policy and business process information for case processing. The information may not be up-to-date or relevant to their specific case. This results in worker dissatisfaction, inconsistent processing, and inaccurate determinations.

State and Contractor will partner to design a **single source of truth** for ESA staff to access critical information to support consistent, efficient, and accurate case processing.

Context

The Michigan Department of Health and Human Services (State) provides access to Michigan's largest assistance programs, including Healthcare, Food Assistance, Cash Assistance, Child Care, and State Emergency Relief. These programs provide critical support for children, youth, and families across the state.

Over the last eight years, State and Contractor, have partnered to redesign and streamline benefits service delivery at critical interaction points such as the paper application, MI Bridges portal, correspondence, and enrollment process. This success has led to Michigan being viewed nationally as a leader in public benefits delivery.

Behind the scenes, a consistent pain point for ESA staff has been the slow and difficult process of searching for and accessing critical policy and business process information for case processing. Currently, ESA staff must search across 6+ digital locations including:

- Bridges Eligibility Manual (BEM) and Bridges Administrative Manual (BAM)
- ESA Memos
- Job aids
- FAP Accuracy slide decks
- Policy team guidance in emails
- Bridges business process troubleshooting
- Local office resources

The current knowledge management system results in worker dissatisfaction, inconsistent processing, and inaccurate determinations.

To address this challenge, State and Contractor have spent the last 6 months partnering on Phase 1 of a solution. The team conducted extensive research with frontline staff and subject matter experts across the state, including interviews, surveys, and a diary study. Contractor created a user journey map that revealed systemic challenges and pain points in navigating the current knowledge management system (KMS), highlighting how staff prioritize speed over precision, rely on informal knowledge networks, struggle with search inefficiencies, and create their own workarounds.

These insights confirmed the need for a redesigned knowledge management system and will guide the next phases of design, testing, and implementation.

Building on a shared base of knowledge and expertise, State and Contractor will partner to design a single source of truth for ESA staff to access critical information to support consistent, efficient, and accurate case processing.

Expected outcomes include:

- Reduced time spent processing benefits
- Reduced errors and procedural denials
- Reduced time to determination
- Improved user experience
- Improved workforce engagement

Areas of Focus

In order to deliver on this vision, Contractor will design, test, and support the implementation of the following:

- **ESA knowledge management system:** Creating a single source of truth for ESA's policy and business process information to meet the needs of frontline staff.
- **Policy manuals:** Redesigning a selection of frequently used policy manuals to streamline the content and usability.
- **Governance process:** Creating a streamlined process for sharing and maintaining policy and business process guidance for ESA staff.

Scope

State will partner with Contractor to use a human-centered design methodology. Contractor will build on the research and recommendations from Phase 1 with the following work:

- **Phase 2 | Design + Testing:** Based on recommendations from research,

Contractor and State will work together to design and test a redesigned knowledge management experience for ESA staff and stakeholders. The team will conduct a pilot to test the KMS prototype(s) in with State staff with active cases. The team will update its designs based on feedback to prepare them for statewide rollout and ensure they meet user needs as intended.

- **Phase 3 | Implementation:** Contractor and State will work together to develop an implementation strategy to support statewide rollout. This will include the development of the KMS system, design documentation, governance model, staff training, and communications and stakeholder engagement to ensure successful implementation and governance.

Phase 2: Design + Testing

Project Management	<p>Participate in planning sessions with State for Phase 2.</p> <p>Contractor will meet with State at regularly-scheduled intervals to provide an overview of the project status, lift up critical successes and roadblocks, add and re-prioritize activities based on user needs, and ensure close communication with project stakeholders.</p>
Defining Our Audience	<p>Identify the spectrum of people who will need to be engaged in user testing and piloting.</p>
Recruiting	<p>Finalize a strategy for selecting, recruiting, and engaging user testing participants.</p> <p>Contractor will source and recruit participants and coordinate the day-of details. State will provide support for recruiting by providing Contractor with points of contact for relevant stakeholders.</p>

Design + Iteration (KMS + policy manuals)	<p>Contractor will develop prototype(s) for the KMS based on proofs of concepts from Phase 1. These prototype(s) will be focused on the KMS structure, navigation, policy and business process content, and governance.</p> <p>Contractor will also partner with State to redesign a selection of frequently used policy manuals and test them prior to pilot.</p> <p>Contractor will make improvements to the designs based on input from staff and subject matter experts to ensure they meet user needs.</p>
User Testing	<p>Contractor will conduct in-depth user testing on the new designs to understand what is working, what is not, and where improvements can be made.</p>
Pilot	<p>Contractor will work with State to conduct a small-scale pilot of the new designs.</p> <p>Contractor will work with State to identify and train staff to participate.</p> <p>The team will then launch the pilot and conduct qualitative and quantitative data analysis.</p> <p>Contractor will make updates to the KMS and select policy manual content to incorporate pilot learnings and ensure designs meet user and State needs.</p>
System Evaluation	<p>Contractor will onboard State technical team to the project.</p> <p>Contractor will evaluate technical solutions for the KMS based on user needs and viability criteria. Contractor will partner with State to identify the technical requirements for the implementation of the KMS at scale to enable statewide rollout.</p>
Governance Model Development	<p>Contractor will design and test a governance model to ensure that the KMS designs support access to relevant, up-to-date information for frontline staff.</p> <p>Contractor will engage policy teams and related stakeholders to co-develop and define shared principles and collaborative frameworks that will guide the KMS governance after implementation.</p> <p>Governance needs will be incorporated into KMS</p>

	prototype designs and tested with relevant stakeholders during the pilot to better understand the governance needs in the live stream.
Recommendations + Documentation of KMS requirements	<p>Contractor will develop recommendations and documentation of the KMS' key features, governance, functionality, and goals for the State team to use in guiding the build of the KMS platform.</p> <p>Recommendations will focus on opportunities for KMS design and governance that have the greatest impact.</p>

Phase 3: Implementation

Implementation Planning	Participate in work sessions with State leadership and other key stakeholders to confirm Contractor's responsibilities and project methodology for statewide rollout.
KMS Development	<p>Contractor will provide system design documentation to guide the development of the KMS in partnership with State.</p> <p>Contractor will support State subject matter experts as they develop, purchase, and/or customize the new KMS for launch.</p>
Content Development	Contractor will partner with State to establish the development timeline and process for adding core content to the KMS, with a phased plan for incorporating additional content after launch.
Training Strategy + Development	<p>Work with the Office of Workforce Development and Training (OWDT) to design a training program for statewide rollout.</p> <p>Develop a set of training materials and collaborate with OWDT to facilitate training for field staff across the state.</p>
Communication Strategy + Development	Develop a communications plan for statewide rollout.

	<p>Develop select materials to enable communication including one-pagers, presentations, talking points, etc.</p> <p>Provide data and learnings from the pilot to strengthen internal messaging for the new KMS and governance model.</p>
Governance Model	Contractor will support State in establishing the roles and business processes needed to maintain effective governance of the KMS.
Project Management	Align all work streams, monitor progress, and proactively manage barriers and dependencies through the project's established governance model.
Leadership + Stakeholder Management	Meet with State leadership and staff at regularly-scheduled intervals to provide an overview of the project status, lift up critical successes and roadblocks, and ensure close communication with project stakeholders.
Documentation	Communicate regularly with State to provide updates and maintain clear documentation around decision-making and progress.

Deliverables

Phase 2: Design + Testing

- Project Plan + Timeline**
 Contractor will partner with State to establish clear roles and responsibilities and the sequencing of Contractor's work.
- User Testing Plan**
 Contractor will develop a robust user testing plan to gather feedback on the KMS, policy manual, and governance prototype(s) and inform their design before beginning the pilot.
- KMS Designs**
 Contractor will develop KMS prototypes to test core functionality with frontline staff and subject matter experts. Contractor will iterate on these

designs based on user feedback to develop a working KMS prototype that Contractor and State will use during a live stream pilot.

- **Policy Manual Updates**

Contractor will redesign a selection of frequently used policy manuals to streamline the content and usability. Contractor will work with State to identify the specific sections of the manual to be re-written prior to pilot. Contractor will iterate on these designs based on user feedback.

- **User Testing Findings**

Contractor will document findings and insights from user testing. These insights will guide the redesign of the new designs, grounding solutions in the perspectives and needs of ESA staff.

- **Pilot Plan + Timeline**

Contractor will develop and execute a pilot plan and timeline to test the KMS prototypes and policy manual updates in the live stream at State offices. This pilot will inform future iterations of the designs as well as the strategy for implementation.

- **Core Team Meetings**

Contractor will facilitate regular meetings with the State Core team to provide project updates, collect input on work streams, follow up on action items, and support the day-to-day execution of the project.

- **Design Reviews**

Contractor will conduct three design reviews with the leadership team from State to share key learnings and recommendations as well as lift up barriers and receive strategic guidance from the leadership team.

Phase 3: Implementation

- **Project Plan + Timeline**

Contractor will partner with State to establish clear roles and responsibilities and the sequencing of Contractor's work. The Project Plan will include an updated high-level work plan along with a detailed work plan for the Implementation phase that demonstrates where all deliverables, milestones, key meetings, and task dependencies fit within the approved timeline.

- **Knowledge Management System Documentation**

Contractor will develop system design documentation for State to guide the development of the KMS. This documentation will include a system architecture diagram, wireframes illustrating the core pages of the KMS, content strategy, and a workflow diagram.

- **Policy Manual Templates + Guidance**

Contractor will deliver a template and guidance that State policy teams can follow to re-write and improve usability of the remaining policy manual sections over time.

- **KMS Governance Model**

Contractor will partner with State to establish governance principles, metrics, roles, and business processes for maintaining and updating the KMS after launch. This governance will include a phased approach to developing and releasing high-value content to the KMS to incentivize adoption.

- **Training Strategy + Materials**

Contractor will partner with OWDT to develop a training strategy and training materials to support the rollout of the new designs. These training materials, which will be based on learnings from the pilot, will include information that will be most valuable to support a successful statewide implementation.

- **Communication Strategy + Materials**

Contractor will partner with State to develop a communication strategy for the Implementation phase that builds alignment and support for the project. Contractor will design select materials for State leaders, such as one-pagers, presentations, talking points, etc.

- **Core Team Meetings**

Contractor will facilitate regular meetings with the State Core team to provide project updates, collect input on work streams, follow up on action items, and support the day-to-day execution of the project.

- **Design Reviews**

Contractor will conduct two or three design reviews with the leadership team from State to share key learnings and recommendations as well as lift up barriers and receive strategic guidance from the leadership team.

Schedule B – Pricing

The project total will span 15 months (April 2025 through June 2026) and cost \$3,000,000.

- Phase 2 is estimated to span 9 months (April 2025 through December 2025) and cost \$1,750,000.
- Phase 3 is estimated to span 6 months (January 2026 through June 2026 and cost \$1,250,000.
- Any costs related to the procurement, licensing, development, or maintenance of KMS software are not included in this scope and will be the sole responsibility of State.

State will be billed monthly based on hours in the following rate structure:

Project Team Staffing

Principal: \$400/hr

Engagement Manager: \$220/hr

Design Services

Specialist: \$160/hr

Associate: \$130/hr

Administration

Admin Assistant: \$45/hr

contact

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CONTRACT CHANGE NOTICE

Change Notice Number 1

to

Contract Number MA210000001419

CONTRACTOR	HUMANS FIRST DETROIT, DBA CIVILLA
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STATE	Program Manager	Holly Grandy-Miller	DTMB
		517-243-8710	
		Millerh1@michigan.gov	
	Contract Administrator	Adam Ashley	DTMB
		517-855-1376	
		ashleya2@michigan.gov	

CONTRACT SUMMARY				
Human Centered Design (HCD) Services – Prequalification Program				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
September 1, 2021	August 31, 2026	5 - 12 Months	August 31, 2026	
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NET 45		N/A		
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CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$0.00	\$1,260,000.00	\$1,260,000.00		
DESCRIPTION				
Effective December 17, 2024, the attached Schedule A - Statement of Work and \$1,260,000 is hereby added to the Contract for MDHHS.				
All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement approval, and State Administrative Board approval on 12/17/24.				

SCHEDULE A – STATEMENT OF WORK

CONTRACT ACTIVITIES

PROJECT SPECIFIC BACKGROUND

General Background

Michigan Department of Health and Human Services (MDHHS) implemented an online, web-based system called MI Bridges in 2012 to provide online access to Health and Human service benefits information for MI residents. The website has continued to grow and evolve, encompassing a wider range of MDHHS benefit programs while also providing access to an array of community resources and services.

Scope

Contractor will research and identify improvement opportunities and recommend solutions for MI Bridges that will improve the user experience of individuals supporting and seeking services from the state of Michigan utilizing the MI Bridges system. These opportunities and solutions would be used for future partnerships, integrations, services, enhancements, and system expansion projects known as “MI Bridges 3.0.”

The scope of this project will include Contractor:

- Identification and documentation of agency & non-agency improvement opportunities for MI Bridges end-user experience.
 - Including opportunities for benefits cross-enrollment across State of Michigan departments and programs.
- Communicate and document the gaps between current process and recommended solutions.

Out of scope

The contractor will not be responsible for:

- Decision-making on what recommended solution(s) will be selected for future enhancements or inclusion in MI Bridges 3.0.
- Determining the level of effort required for implementation of recommended solution(s) in MI Bridges 3.0.

1. Requirements

1.1. General Requirements

Utilizing HCD best practices and methodology that focuses on Michigan residents and community partners as end users, the Contractor must identify and document recommendations that will expand the current MI Bridges functionality to promote innovation and excellence in service delivery.

The Contractor must:

1. Collect data, observe, and identify problems the following groups experience when utilizing MI Bridges to seek, or support the obtaining of, services from the state of Michigan:
 - a. Michigan Residents, including but not limited to:
 - i. Rural, urban, tribal, and suburban residents;
 - ii. Individuals with a wide array of comfort with and knowledge of personal computing, internet, and cellphone usage; and
 - iii. Both experienced MI Bridges users and those who have not sought services through the website.
 - b. Community Partners, including but not limited to:
 - i. Representatives of current community partners, which may include but are not limited to the roles of navigators, referral partners, access partners, and lead point of contact;
 - ii. Agencies who are not currently but may become Community Partners in the future (priority service types will be provided);
 - iii. Rural, urban, tribal, and suburban-based agencies; and
 - iv. A variety of agency sizes and structures.
2. Obtain both explicit pain points the users can describe, and analytically look for latent pain points that the users cannot describe or might not know exist.
3. Collect data that will include the end user goals, needs, time spent, reactions and expectations.
4. Collect data that will include most beneficial services offered and not offered by the State.
5. Review raw data/observers and participators in user interviews/demos with the State's MI Bridges team.
6. Generate, document and recommend multiple solution ideas.
 - a. Identify and document what characteristics will be used to critique the solution ideas. These must include but are not limited to, desirability, feasibility, and viability.
 - b. Identify and rate solutions based on characteristics and State defined priority.
7. Prototype a set of the State's Mi Bridges team prioritized solutions as identified.
 - a. Develop a preliminary User Experience (UX) prototype utilizing Figma that will be a simple representation of the application screens.
 - b. Perform usability testing.
 - c. Demonstrate how recommended solutions would appear and operate to the State.

8. Define the problems and challenges users are experiencing in a summarized and detailed report.
9. Provide recommendations about how to prioritize and sequence development work for achieving desired results.

1.2. Work and Deliverables

1. Contractor must lead user research sessions and provide documentation outlining methods and results.
2. Contractor must provide:
 - a. Experience map or another like document with metrics defined;
 - b. Raw data from user interviews/demos;
 - c. User insights;
 - d. Documentation of what systematic inventing thinking (SIT) or brainstorming method were used;
 - e. Metrics and how to evaluate the impacts of changes and methods for monitoring success in meeting goal;
 - f. Impact and effort output or another like deliverable;
 - g. Solution ideation and Prototypes as prioritized;
 - h. UX Prototypes;
 - i. Documentation outlining methods, results, and risks; and
 - j. Summarized and detailed report of findings.

1.3. Training/Knowledge Transfer

The Contractor must enable state employees to learn HCD process through observation, participation, and de-briefing of the facilitation activities done in support of the Mi Bridges 3.0 project. The Contractor must provide mentorship to the OCI/HCD team, State Mi Bridges and leadership teams, and any key personal identified by State leadership. Mentorship may include, but is not limited to, coaching, shadowing and over the shoulder partnership throughout the course of the project with the objective to equip state employees with the knowledge they need to achieve desired outcomes of the project. The goal is to build core members of the State team competency in HCD and ensure the ability to continue best practices in HCD methodology for the ongoing maintenance the implemented solution.

2. Service Requirements

2.1. Timeframes

All Contract Activities must be delivered within 6-9 months, from receipt of order. The receipt of order date is pursuant to the **Notices** section of the *Standard Contract Terms*.

The State retains the option for additional project iterations, or an extended schedule, beyond the initial service timeframe. Any change will be recognized within an amended SOW as supported by DTMB AS and issued by DTMB Financial Services.

2.2. Acceptance, Inspection, and Testing

There are no additional Acceptance criteria for this solicitation.

3. Staffing

3.1. Key Personnel

The Contractor must appoint a Project Manager who will be directly responsible for the day-to-day operations of the Contract ("Key Personnel"). Key Personnel must be specifically assigned to the State account, be knowledgeable on the contractual requirements and HCD methodology, and respond to State inquiries within twenty-four (24) hours.

3.2. Disclosure of Subcontractors

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

- a. The legal business name; address; telephone number; a description of subcontractor's organization and the services it will provide; and information concerning subcontractor's ability to provide the Contract Activities.
- b. The relationship of the subcontractor to the Contractor.
- c. Whether the Contractor has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.
- d. A complete description of the Contract Activities that will be performed or provided by the subcontractor.

Bidder must provide detailed information as requested in the above requirement(s).	
The legal business name, address, telephone number of the subcontractor(s).	Nava Public Benefit Corporation 1445 New York Ave NW, Suite 300, Washington, DC 20005 240-487-9945
A description of subcontractor's organization and the services it will provide	Nava PBC is a public benefit corporation on a mission to make government services simple, effective, and accessible to all. Nava delivers reliable and user-friendly

Bidder must provide detailed information as requested in the above requirement(s).	
and information concerning subcontractor's ability to provide the Contract Activities.	systems for large-scale, mission-critical government programs. They guide agencies constrained by legacy systems to a future with sharp user experiences built on highly secure, reliable, and fault-tolerant cloud infrastructure. They bring best-in-class human-centered design and agile software development capabilities that have been proven in the most challenging and highest impact government service transformation projects. As a public benefit corporation, they exist solely to positively transform how millions of people experience government by building simple, effective, and accessible digital services.
The relationship of the subcontractor to the Bidder.	Civilla and Nava PBC are separate, mission-driven organizations with similar goals to improve public benefits delivery in Michigan and across the country. We have formed a strategic partnership, combining Nava's advanced technical expertise with Civilla's deep-rooted experience in human-centered design, to deliver transformative public service solutions for MI Bridges 3.0.
Whether the Bidder has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.	Civilla has deep trust and a long-standing relationship with members of Nava's founding team. Nava was established in 2015, shortly before Civilla opened its doors in 2016. The organizations have regularly shared learnings, joined national workshops/conferences/ convenings together and supported each other's efforts. While this is the first formal partnership between Civilla and Nava, we have explored many opportunities to work together over the last eight years. We are looking forward to bringing the best of both our organizations to serve the State of Michigan through this project.
A complete description of the Contract Activities that will be performed or provided by the subcontractor.	Nava will support Civilla in providing technical assistance in these two areas: <ul style="list-style-type: none"> ● Emerging technology insights: Conduct an analysis of the role that AI could play in improving service delivery and cross-enrollment through MI Bridges. Lift up opportunity areas and ideas with a range of technical feasibility (ex: near/mid/long-term). ● Technical analysis: Provide guidance on the technical feasibility of select design ideas to strengthen recommendations to the State. For these two areas of technical assistance, Nava will allocate two experienced Subject Matter Experts who have expertise in conducting analyses of the roles AI can play in benefits delivery, as well as the technical feasibility of design ideas in order to hone and collaborate on valuable recommendations back to the State. Nava will also be able to bring in additional Nava team member support as-needed, ensuring that MI Bridges 3.0 can benefit from Nava's full capabilities.
Of the total bid, the price of the subcontractor's work.	\$140,000

4. Project Management

4.1. Project Plan

Bidder must provide an outline of proposed Contractor project management plan. The plan must include a high-level summary of project phases/timelines, to include:

- a. Dates of key milestones.
- b. Desired availability of project staff/leadership.
- c. Anticipated decision points; and,
- d. Key deliverables/artifacts.
- e. Meeting cadence and communication preference (Communication Plan)

The Contractor will carry out this project under the direction and control of the Program Manager. Within 10 calendar days of the Effective Date, the Contractor must submit an initial project plan to the Program Manager for approval.

4.2. Meetings

Under the State Program Manager direction utilizing a hybrid model (either onsite or offsite) the Contractor must facilitate the following meetings:

- a. Project Kick Off Meeting - Onsite
- b. Weekly Project status meetings - Hybrid
- c. Field Testing practices and outcome reviews - Hybrid
- d. Final project presentation with design demonstration - Onsite

The State may request other meetings, as it deems appropriate and will be included with in the project management plan.

4.3. Reporting

The Contractor must submit to the Program Managers the following written report:

- a. Weekly Status Report
 - i. Key milestone status and estimated completion date for each key milestone
 - ii. Summary of activity during the report period
 - iii. Accomplishments during the report period
 - iv. Next steps and/or activities that are expected to be completed in the next reporting period.
 - v. Deliverable status/Summary of findings
 - vi. Schedule status
 - vii. Action Item status
 - viii. Issues/Risks
- b. Monthly Summary Report
- c. Final project presentation/ final assessment reports

5. Pricing

5.1. Price Term

Pricing is firm fixed for the entire length of the Contract. Bidder to submit specific pricing in this section.

CN 1: SCHEDULE B – PRICING

For this project, the Contractor will bill monthly based on the rate structure below, with a 'not-to-exceed' estimate of \$1,260,000. This pricing is firm fixed for the entire length of the contract. If additional work is sought through the Contract, Contractor anticipates using the hourly rates to negotiate a firm-fixed price for new desired activities and deliverables.

Role Hourly Rate (\$)

Partner	\$400
Engagement Manager	\$250
Specialist	\$180
Associate	\$150
Administrative Support	\$45
Nava Specialists	\$250

Requirement	Estimated Cost
Phase 1	
1.1.1 a+b Interview residents + CPs	\$200,000
1.1.2 Identify + synthesize pain points	\$80,000
1.1.3 Collect data on end-user goals	\$100,000
1.1.4 Identify highest priority needs	\$80,000
1.1.5 Partner with MI Bridges staff	\$40,000
Phase 2	
1.1.6 a+b Generate multiple solution ideas	\$100,000
1.1.7 a,b+c Prototype and test solution ideas	\$290,000
Phase 3	
1.1.8 Document challenges and research in report	\$185,000
1.1.9 Recommend sequencing for development	\$185,000
Project Total	\$1,260,000



STATE OF MICHIGAN PROCUREMENT

525 W. Allegan, Lansing, MI 48933
P.O. Box 30026 Lansing, MI 48909

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **210000001419**

between
THE STATE OF MICHIGAN
and

CONTRACTOR	Humans First Detroit, DBA Civilla
	440 Burroughs St. Suite 200
	Detroit, MI 48202
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	Contract Administrator	Sean Regan	DTMB
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9/1/2021	8/31/2026	5, 1 Year	
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Net 45			
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<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
MISCELLANEOUS INFORMATION			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			\$0.00

FOR THE CONTRACTOR:

Company Name

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Name & Title

Agency

Date

**SCHEDULE A
STATEMENT OF WORK
CONTRACT ACTIVITIES**

STATE OF MICHIGAN

Human Centered Design (HCD) Services – Prequalification Program

Project Request

This is a Pre-Qualified Contract to provide consulting services for Human Centered Design (HCD) activities for all State Agencies/Organizational Units. The State is establishing a prequalified Contractor pool through this Contract and will update the pool as deemed necessary by the State. Updates to the pool will be accomplished through the issuance of an RFP.

1. Prequalified Contractor solution and staffing will be evaluated under a second-tier, competitive selection process. The State may then award a specific HCD solution to the Contractor offering the best overall value.
2. Each Statement of Work (SOW) may contain unique service levels, requirements and general deliverables which may include, but are not limited to, services outlined in this Schedule A, Statement of Work.
3. The State will issue each SOW to all prequalified Contractors. The SOW will identify the deliverables, period of performance, specific response information required, work evaluation and payment criteria, and any additional terms and conditions that may apply to that SOW. The process for the State issuing and the Contractor(s) responding to a SOW follows:
 - a) State issues a SOW via email to pre-qualified Contractors with a timeline including due dates for questions, due dates for responses, and period of performance.
 - b) Contractor responses must follow criteria required in each SOW and if hourly pricing is requested by the State, Contractor pricing must not exceed rates provided in Schedule B.
 - c) State selection will be based on a best value evaluation using the criteria identified in the SOW.

Background

The Michigan Department of Technology, Management and Budget (DTMB) Office of Continuous Improvement (OCI) is responsible for the statewide HCD strategy. The HCD strategy focuses on the needs and the desires of stakeholders interfacing with the state for services when developing technology.

1.1 In Scope

In partnership with OCI the Contractor is responsible for using standard HCD methods to create deliverables for improvement projects for state agencies. HCD engagements may include the agency, DTMB, OCI staff, and third-party providers not including the Contractor. Collectively, this solicitation refers to these resources as “project staff.”

The Contractor will increase stakeholder engagement to improve state services by deploying specific activities to; garner stakeholder input, define needs, understand issues; facilitate ideation, facilitate prototype creation, set metrics/measures, and recommend a program of change. The Contractor may engage in ongoing feedback with stakeholders through the implementation of recommended change. The Contractor may be asked by OCI to utilize specific methods to maintain consistency in state HCD projects. HCD projects are a means to strategically expand the competency in HCD tools by state employees. The partnership between the Contractor and OCI is pivotal in this strategy for knowledge transfer. The scope and duration of efforts vary by engagement and may include all or a subset of the work and deliverables identified below, or additional deliverables identified in the second tier SOW.

When the SOM establishes a need for services, a specific statement of work will be formalized, and proposals will be solicited from the prequalified Contractors utilizing a second-tier competitive selection process. The specific statement of work will identify, at a minimum, the period of performance, deliverables, specific response information required and any

special terms and conditions that are associated with the individual statement of work. Price proposals for each specific statement of work must be provided on a deliverable(s) basis. The second-tier will include a SOW, pricing table and will describe the evaluation criteria that will be used to select the vendor. The State will add the associated statement of work and the necessary funding to the selected Contractor's primary Contract.

1.2 Work and Deliverables

The Contractor must provide Deliverables/Services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below or defined in the second-tier evaluation process:

a. Methodology and Deliverables for Human Centered Design

A methodology is an approach to doing something with a distinct set of rules, techniques, tests, activities, deliverables, and processes which typically function to solve a specific problem. An effective methodology is well-defined and repeatable.

b. Project Management

Project management is the application of processes, methods, knowledge, skills and experience to achieve project objectives. Effective project management consistently delivers predictable results.

c. Training

d. Metrics

e. Knowledge Transfer

f. Diversity, Equity, and Inclusion (DEI)

1.3 Specific Standards

IT Policies, Standards and Procedures (PSP)

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 contract 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.

Public IT Policies, Standards and Procedures (PSP):

https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html

Acceptable Use Policy

To the extent that Contractor has access to the State's computer system, Contractor must comply with the State's Acceptable Use Policy, see [1340.00.130.02 Acceptable Use of Information Technology \(michigan.gov\)](#). All Contractor Personnel will be required, in writing, to agree to the State's Acceptable Use Policy before accessing the State's system. The State reserves the right to terminate Contractor's access to the State's system if a violation occurs.

ADA Compliance

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

http://www.michigan.gov/documents/dmb/1650.00_209567_7.pdf?20151026134621

1.4 SUITE Documentation

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

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

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

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

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

The Contractor is required to review <http://www.michigan.gov/suite> and demonstrate how each PMM/SEM requirement will be met. If the Contractor wishes to use their own documents, they must submit an example of the document that will be substituted. If the Contractor deems a document to be non-applicable, they must provide reasons for the determination. The State reserves the right to give final approval of substituted documents and items marked as non-applicable.

2. RESERVED

3. Acceptance

3.1. Acceptance, Inspection and Testing

The State will use the criteria provided in Section 16 of the Contract Terms to determine acceptance of the Contract Activities.

4. Staffing

4.1. Contractor Representative

The Contractor must appoint a **Contractor Representative**, specifically assigned to this Contract, that will respond to State inquiries regarding the Contract Activities, answering questions related to ordering and delivery, etc. (the "Contractor Representative").

The Contractor must notify the State Contract Administrator at least 30 calendar days before removing or assigning a new Contractor Representative.

Contractor:
Michael Brennan 440 Burroughs Street, Suite 200 Detroit, MI 48202 michael@civilla.org 313-449-1878

4.2 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:
Sean Regan 525 W Allegan St Lansing, MI 48933 regans@Michigan.gov 517-243-8459	Michael Brennan 440 Burroughs St Suite 200 Detroit, MI 48202 michael@civilla.org 313-449-1878

4.3 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:
Holly Grandy-Miller Director - Office of Continuous Improvement Capitol National Center 200 North Washington Square, Lansing millerh1@michigan.gov 517-243-8710	Lena Selzer 440 Burrough St Suite 200 Detroit, MI 48202 lana@civiilla.org 360-888-3652

4.4. Work Hours and Work Location

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

The State anticipates that much of the work will be conducted remotely, however there may be requirements for in person meetings. Onsite work will be primarily in the Lansing / Metro Detroit area. Travel to additional locations in Michigan may be required in limited circumstances.

4.5. Key Personnel

The Contractor must appoint an individual who will be directly responsible for the day-to-day operations of the Contract, as well as a staffing team who will be committed to this project (“Key Personnel”). Key Personnel must be specifically assigned to the State account, be knowledgeable on the contractual requirements, and respond to State inquiries within 24 hours.

The State has the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, introduce the individual to the State’s Program Manager, and provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection. The State may require a 30-calendar day training period for replacement personnel.

Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor’s removal of Key Personnel without the prior written consent of the State is an unauthorized removal (“Unauthorized Removal”). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel’s employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under Termination for Cause in the Standard Terms. It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under Termination for Cause, Contractor will issue to the State the corresponding credits set forth below (each, an “Unauthorized Removal Credit”):

(i) For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the credit amount will be \$25,000.00 per individual if Contractor identifies a replacement approved by the State and assigns the replacement to shadow the Key Personnel who is leaving for a period of at least 30 calendar days before the Key Personnel’s removal.

(ii) If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least 30 calendar days, in addition to the \$25,000.00 credit specified above, Contractor will credit the State \$833.33 per calendar day for each day of the 30 calendar-day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to \$25,000.00 maximum per individual. The total Unauthorized Removal Credits that may be assessed per Unauthorized Removal and failure to provide 30 calendar days of shadowing will not exceed \$50,000.00 per individual.

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

The Contractor must identify the Key Personnel, indicate where they will be physically located, describe the functions they will perform, and provide current chronological résumés.

4.6. Organizational Chart

The Contractor must provide an overall organizational chart that details staff members, by name and title, and subcontractors upon request by the State.

4.7. Background Checks

Upon request, Contractor must perform background checks on all employees and subcontractors and its employees prior to their **assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.**

Contractor must present certifications evidencing satisfactory Michigan State Police Background checks ICHAT and drug tests for all staff identified for assignment to this project.

In addition, proposed Contractor personnel will be required to complete and submit an RI-8 Fingerprint Card for the National Crime Information Center (NCIC) Fingerprints, if required by project.

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

Contractor staff must attend agency specific orientation, security awareness training and any other relevant security and/or confidentiality training. Contractor staff must sign any appropriate agreements or training certifications.

Contractor staff assigned to work with restricted, sensitive data have an obligation to safeguard and protect the confidentiality of such data. Further, if the staff member accidentally or purposefully releases restricted or sensitive data, the contractor assumes full responsibility for any resulting penalties, such as those described in the Identity Theft Protection Act (Act 452 P.A. 2004, amended July 2007).

4.8. Organizational Chart

The Contractor must provide an overall organizational chart that details staff members, by name and title, and subcontractors upon State request.

4.9. Disclosure of Subcontractors

If the Contractor intends to utilize subcontractors, it must be disclosed in the second-tier SOW process.

5. Project Management

5.1. Project Plan

Contractor must provide project management plan.

The Contractor will carry out this project under the direction and control of the Program Manager. Within 10 calendar days of the Effective Date, the Contractor must submit a project plan to the Program Manager for final approval. The plan must include: (a) the Contractor's organizational chart with names and title of personnel assigned to the project, which must align with the staffing stated in accepted proposals; and (b) the project breakdown showing sub-projects, tasks, and resources required.

5.2. Meetings

The State may request meetings as it deems appropriate.

5.3. Reporting

The Contractor must submit reports to the Program Manager.

6. Pricing

6.1. Price Term

Pricing is firm for the entire length of the Contract.

7. Ordering

7.1. Authorizing Document

The appropriate authorizing document for the Contract will be a Purchase Order (PO) or Delivery Order (DO).

8. Invoice and Payment

8.1. Invoice Requirements

All invoices submitted to the State must include: (a) date; (b) purchase order; (c) quantity of records/units; (d) price per record/unit (e) description of the Contract Activities; (f) shipping cost (if any); and (g) total price. Overtime, holiday pay, and travel expenses will not be paid.

8.2. Payment Methods

The State will make payment for Contract Activities via EFT.

9. Liquidated Damages

Late or improper completion of the Contract Activities will cause loss and damage to the State and it would be impracticable and extremely difficult to fix the actual damage sustained by the State. Therefore, if there is late or improper completion of the Contract Activities the State is entitled to collect liquidated damages in the amount of \$1,000 and an additional \$100 per day for each day Contractor fails to remedy the late or improper completion of the Work.

SCHEDULE B PRICING

1. Firm Fixed Deliverable Pricing

Firm Fixed deliverable pricing will be provided through the second-tier solicitation.

2. Hourly rates for additional HCD services

In addition to the firm fixed deliverable pricing obtained through the tier 2 solicitations. The State may also engage the contractor to complete services on a time and materials basis. The rate table provides the hourly rates for the resources available through the resulting Contract.

Position Type <i>(Column 1)</i>	Hourly Rate (\$) <i>(Column 2)</i>
1. Principal	\$400
2. Engagement Manager	\$250
3. Specialist	\$180
4. Associate	\$150
5. Administrative Support	\$45

STANDARD CONTRACT TERMS

Standard Contract Terms

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and **Contractor**. This Contract is effective on September 1, 2021 (“**Effective Date**”), and unless terminated, expires on August 31, 2026.

This Contract may be renewed for up to five (5) additional one (1) year period(s). Renewal is at the sole discretion of the State and will automatically extend the Term of this Contract. The State will document its exercise of renewal options via Contract Change Notice.

The parties agree as follows:

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

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

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

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

2. **Notices.** All notices and other communications required or permitted under this Contract must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.
3. **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**”):
4. **Program Manager.** The Program Manager for each party will monitor and coordinate the day-to-day activities of the Contract (each a “**Program Manager**”):
5. **Performance Guarantee.** Contractor must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the Contract and must provide proof upon request. The State may require a performance bond (as specified in Schedule A – Statement of Work) if, in the opinion of the State, it will ensure performance of the Contract.
6. **Insurance Requirements.** Contractor, at its sole expense, must maintain the insurance coverage identified below. All required insurance must: (i) protect the State from claims that arise out of, are alleged to arise out of, or otherwise result from Contractor’s or subcontractor’s performance; (ii) be primary and non-contributing to any

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comparable liability insurance (including self-insurance) carried by the State; and (iii) be provided by a company with an A.M. Best rating of "A-" or better, and a financial size of VII or better.

Required Limits	Additional Requirements
Commercial General Liability Insurance	
<u>Minimum Limits:</u> \$1,000,000 Each Occurrence \$1,000,000 Personal & Advertising Injury \$2,000,000 Products/Completed Operations \$2,000,000 General Aggregate	Policy must be endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 20 10 12 19 and CG 20 37 12 19.
Automobile Liability Insurance	
If a motor vehicle is used in the performance of the Contract, Contractor must maintain motor vehicle liability coverage for bodily injury and property damage, as required by law.	
Workers' Compensation Insurance	
<u>Minimum Limits:</u> Coverage according to applicable laws governing work activities	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
<u>Minimum Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease	
Privacy and Security Liability (Cyber Liability) Insurance	
<u>Minimum Limits:</u> \$1,000,000 Each Occurrence \$1,000,000 Annual Aggregate	Policy must cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.
Professional Liability (Errors and Omissions) Insurance	
<u>Minimum Limits:</u> \$3,000,000 Each Occurrence \$3,000,000 Annual Aggregate	

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

Contractor must: (i) provide insurance certificates to the Contract Administrator, containing the agreement or delivery order number, at Contract formation and within twenty (20) calendar days of the expiration date of the applicable policies; (ii) require that subcontractors maintain the required insurances contained in this Section; (iii) notify the Contract Administrator within five (5) business days if any policy is cancelled; and (iv) waive all rights

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against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver.

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

- 7. Administrative Fee and Reporting.** Contractor must pay an **administrative fee of 1%** on all payments made to Contractor under the Contract including transactions with the State (including its departments, divisions, agencies, offices, and commissions), MiDEAL members, and other states (including governmental subdivisions and authorized entities). Administrative fee payments must be made online by check or credit card at: <https://www.thepayplace.com/mi/dtmb/adminfee>

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

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

- 8. Extended Purchasing Program.** This contract is extended to MiDEAL members. MiDEAL members include local units of government, school districts, universities, community colleges, and nonprofit hospitals. A current list of MiDEAL members is available at www.michigan.gov/mideal.

Upon written agreement between the State and Contractor, this contract may also be extended to: (a) other states (including governmental subdivisions and authorized entities) and (b) State of Michigan employees.

If extended, Contractor must supply all Contract Activities at the established Contract prices and terms. The State reserves the right to impose an administrative fee and 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.

- 9. Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any subcontractors. Prior performance does not modify Contractor's status as an independent contractor.

Contractor hereby acknowledges that the State is and will be the sole and exclusive owner of all right, title, and interest in the Contract Activities and all associated intellectual property rights, if any. Such Contract Activities are works made for hire as defined in Section 101 of the Copyright Act of 1976. To the extent any Contract Activities and related intellectual property do not qualify as works made for hire under the Copyright Act, Contractor will, and hereby does, immediately on its creation, assign, transfer and otherwise convey to the State, irrevocably and in perpetuity, throughout the universe, all right, title and interest in and to the Contract Activities, including all intellectual property rights therein.

- 10. Subcontracting.** Contractor may not delegate any of its obligations under the Contract without the prior written approval of the State. Contractor must notify the State at least 90 calendar days before the proposed delegation and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, Contractor must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all Contract Activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in this Contract in any subcontract with a subcontractor. Contractor remains responsible for the completion of the Contract Activities, compliance with the terms of this Contract, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor.

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11. **Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.
12. **Background Checks.** Pursuant to Michigan law, all agencies subject to IRS Pub. 1075 are required to ask the Michigan State Police to perform fingerprint background checks on all employees, including Contractor and Subcontractor employees, who may have access to any database of information maintained by the federal government that contains confidential or personal information, including, but not limited to, federal tax information. Further, pursuant to Michigan law, any agency described above is prohibited from providing Contractors or Subcontractors with the result of such background check. For more information, please see Michigan Public Act 427 of 2018. Upon request, or as may be specified in Schedule A, Contractor must perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.
13. **Assignment.** Contractor may not assign this Contract to any other party without the prior approval of the State. Upon notice to Contractor, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Contract to any other party. If the State determines that a novation of the Contract to a third party is necessary, Contractor will agree to the novation and provide all necessary documentation and signatures.
14. **Change of Control.** Contractor will notify within 30 days of any public announcement or otherwise once legally permitted to do so, the State of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following: (a) a sale of more than 50% of Contractor's stock; (b) a sale of substantially all of Contractor's assets; (c) a change in a majority of Contractor's board members; (d) consummation of a merger or consolidation of Contractor with any other entity; (e) a change in ownership through a transaction or series of transactions; (f) or the board (or the stockholders) approves a plan of complete liquidation. A change of control does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes.

In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.
15. **Ordering.** Contractor is not authorized to begin performance until receipt of authorization as identified in Schedule A.
16. **Acceptance.** Contract Activities are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("**State Review Period**"), unless otherwise provided in Schedule A. If the Contract Activities are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the Contract Activities are accepted but noted deficiencies must be corrected; or (b) the Contract Activities are rejected. If the State finds material deficiencies, it may: (i) reject the Contract Activities without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with Section 23, Termination for Cause.

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

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

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17. RESERVED

18. RESERVED

19. RESERVED

- 20. Terms of Payment.** Invoices must conform to the requirements communicated from time-to-time by the State. All undisputed amounts are payable within 45 days of the State's receipt. Contractor may only charge for Contract Activities performed as specified in Schedule A. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Agreement are for the State's exclusive use. All prices are exclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

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

The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/SIGMAVSS> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment. Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount then due and owing to it by Contractor against any amount payable by the State to Contractor under this Contract.

- 21. Liquidated Damages.** Liquidated damages, will be assessed as described in Schedule A.

- 22. Stop Work Order.** The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract or delivery order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.

- 23. Termination for Cause.** The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of the Contract, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Section 24, Termination for Convenience.

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

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- 24. 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 of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 25, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities.
- 25. Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed **180** calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.
- 26. General Indemnification.** Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract; (b) any infringement, misappropriation, or other violation of any intellectual property right or other right of any third party; (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable); and (d) any acts or omissions of Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).
- The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.
- The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Contractor will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.
- Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.
- 27. Infringement Remedies.** If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c)

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accept its return by the State with appropriate credits to the State against Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

- 28. Limitation of Liability and Disclaimer of Damages.** IN NO EVENT WILL THE STATE'S AGGREGATE LIABILITY TO CONTRACTOR UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES PAYABLE UNDER THIS CONTRACT. The State is not liable for consequential, incidental, indirect, or special damages, regardless of the nature of the action.

- 29. Disclosure of Litigation, or Other Proceeding.** Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a subcontractor, or an officer or director of Contractor or subcontractor, that arises during the term of the Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud; or (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.

30. State Data.

- a. **Ownership.** The State's data ("**State Data**," which will be treated by Contractor as Confidential Information) includes: (a) the State's data collected, used, processed, stored, or generated as the result of the Contract Activities; (b) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Contract Activities, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements here listed; and, (c) personal health information ("**PHI**") collected, used, processed, stored, or generated as the result of the Contract Activities, which is defined under the Health Insurance Portability and Accountability Act (HIPAA) and its related rules and regulations. State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. This Section survives the termination of this Contract.
- b. **Contractor Use of State Data.** Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Contract Activities, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Contract Activities. Contractor must: (a) keep and maintain State Data in 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 Contract Activities, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law; and (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone other than the State without the State's prior written consent. This Section survives the termination of this Contract.
- c. **Extraction of State Data.** Contractor must, within five (5) business days of the State's request, provide the State, without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees due to Contractor), an extract of the State Data in the format specified by the State.
- d. **Backup and Recovery of State Data.** Unless otherwise specified in Schedule A, Contractor is responsible for maintaining a backup of State Data and for an orderly and timely recovery of such data. Unless otherwise described in Schedule A, Contractor must maintain a contemporaneous backup of State Data that can be recovered within two (2) hours at any point in time.

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- e. **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) reimburse the State for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) pay for any costs associated with the occurrence, including but not limited to any costs incurred by the State in investigating and resolving the occurrence, including reasonable attorney's fees associated with such investigation and resolution; (g) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (h) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and (i) provide to the State a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, must comply with applicable law, be written in plain language, not be tangentially used for any solicitation purposes, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. The State will have the option to review and approve any notification sent to affected individuals prior to its delivery. Notification to any other party, including but not limited to public media outlets, must be reviewed and approved by the State in writing prior to its dissemination. The parties agree that any damages relating to a breach of this **Section 31** are to be considered direct damages and not consequential damages. This section survives termination or expiration of this Contract.
 - f. **State's Governance, Risk and Compliance (GRC) platform.** Contractor is required to assist the State with its security accreditation process through the development, completion and ongoing updating of a system security plan using the State's automated GRC platform and implement any required safeguards or remediate any security vulnerabilities as identified by the results of the security accreditation process.
- 31. Non-Disclosure of Confidential Information.** The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section survive the termination of this Contract.
- a. **Meaning of Confidential Information.** For the purposes of this Contract, the term "**Confidential Information**" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of

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confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.

- b. **Obligation of Confidentiality.** The parties agree to hold all Confidential Information in 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 a subcontractor is permissible where: (a) use of a subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the subcontractor's responsibilities; and (c) Contractor obligates the subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.
- c. **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 and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- d. **Remedies for Breach of Obligation of Confidentiality.** Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.
- e. **Surrender of Confidential Information upon Termination.** Upon termination of this Contract or a Statement of Work, in whole or in part, each party must, within 5 calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control; provided, however, that Contractor must return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party. However, the State's legal ability to destroy Contractor data may be restricted by its retention and disposal schedule, in which case Contractor's Confidential Information will be destroyed after the retention period expires.

32. Data Privacy and Information Security.

- a. **Undertaking by Contractor.** Without limiting Contractor's obligation of confidentiality as further described, Contractor is responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a) ensure the security and confidentiality of the State Data; (b) protect against any anticipated threats or hazards to the security or integrity of the State Data; (c) protect against unauthorized disclosure, access to, or use of the State Data; (d) ensure the proper disposal of State Data; and (e) ensure that all employees, agents, and subcontractors of Contractor, if any, comply with all of the foregoing. In no case will the safeguards of Contractor's data privacy and information security program be less stringent than the

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safeguards used by the State, and Contractor must at all times comply with all applicable State IT policies and standards, which are available to Contractor upon request.

- b. **Audit by Contractor.** No less than annually, Contractor must conduct a comprehensive independent third-party audit of its data privacy and information security program and provide such audit findings to the State.
- c. **Right of Audit by the State.** Without limiting any other audit rights of the State, the State has the right to review Contractor's data privacy and information security program prior to the commencement of Contract Activities and from time to time during the term of this Contract. During the providing of the Contract Activities, on an ongoing basis from time to time and without notice, the State, at its own expense, is entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and information security program. In lieu of an on-site audit, upon request by the State, Contractor agrees to complete, within 45 calendar days of receipt, an audit questionnaire provided by the State regarding Contractor's data privacy and information security program.
- d. **Audit Findings.** Contractor must implement any required safeguards as identified by the State or by any audit of Contractor's data privacy and information security program.
- e. **State's Right to Termination for Deficiencies.** The State reserves the right, at its sole election, to immediately terminate this Contract or a Statement of Work without limitation and without liability if the State determines that Contractor fails or has failed to meet its obligations under this Section.

33. RESERVED

34. RESERVED

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

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

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

36. **Warranties and Representations.** Contractor represents and warrants: (a) Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and Contractor has the rights necessary to convey title, ownership rights, or licensed use; (b) all Contract Activities are delivered free from any security interest, lien, or encumbrance and will continue in that respect; (c) the Contract Activities will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party; (d) Contractor must assign or otherwise transfer to the State or its designee any manufacturer's warranty for the Contract Activities; (e) the Contract Activities are merchantable and fit for the specific purposes identified in the Contract; (f) the Contract signatory has the authority to enter into this Contract; (g) all information furnished by Contractor in connection with the Contract fairly and accurately represents Contractor's business, properties, finances, and operations as of the dates covered by the information, and Contractor will inform the State of any material adverse changes; (h) all information furnished and representations made in connection with the award of this Contract is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading; and that (i) Contractor is neither currently engaged in nor will engage in the boycott of a person based in or doing business with a strategic partner as described in 22 USC 8601 to 8606. A breach of this Section is

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considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 23, Termination for Cause.

- 37. Conflicts and Ethics.** Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.
- 38. Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.
- 39. RESERVED**
- 40. RESERVED**
- 41. Nondiscrimination.** Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and [Executive Directive 2019-09](#). Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex (as defined in Executive Directive 2019-09), height, weight, marital status, partisan considerations, any mental or physical disability, or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position. Breach of this covenant is a material breach of this Contract.
- 42. Unfair Labor Practice.** Under MCL 423.324, the State may void any Contract with a Contractor or subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.
- 43. Governing Law.** This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.
- 44. Non-Exclusivity.** Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.
- 45. Force Majeure.** Neither party will be in breach of this Contract because of any failure arising from any disaster or acts of god that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Contractor will not be relieved of a breach or delay caused by its subcontractors. If immediate performance is necessary to ensure public health and safety, the State may immediately contract with a third party.
- 46. Dispute Resolution.** The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to the parties' respective Contract Administrators or Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination

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that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Contract.

- 47. **Media Releases.** News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.
- 48. **Website Incorporation.** The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.
- 49. **Schedules.** All Schedules and Exhibits that are referenced herein and attached hereto are hereby incorporated by reference. The following Schedules are attached hereto and incorporated herein:

Schedule ID	Schedule Name
Schedule A	Statement of Work
Schedule B	Pricing Schedule

- 50. **Entire Agreement and Order of Precedence.** This Contract, which includes Schedule A – Statement of Work, and schedules and exhibits which are hereby expressly incorporated, is the entire agreement of the parties related to the Contract Activities. This Contract supersedes and replaces all previous understandings and agreements between the parties for the Contract Activities. If there is a conflict between documents, the order of precedence is: (a) first, this Contract, excluding its schedules, exhibits, and Schedule A – Statement of Work; (b) second, Schedule A – Statement of Work as of the Effective Date; and (c) third, schedules expressly incorporated into this Contract as of the Effective Date. NO TERMS ON CONTRACTOR'S INVOICES, ORDERING DOCUMENTS, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE CONTRACT ACTIVITIES WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE, EVEN IF ACCESS TO OR USE OF THE CONTRACT ACTIVITIES REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.
- 51. **Severability.** If any part of this Contract is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Contract and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Contract will continue in full force and effect.
- 52. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
- 53. **Survival.** The provisions of this Contract that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this Contract.
- 54. **Contract Modification.** This Contract may not be amended except by signed agreement between the parties (a "Contract Change Notice"). Notwithstanding the foregoing, no subsequent Statement of Work or Contract Change Notice executed after the Effective Date will be construed to amend this Contract unless it specifically states its intent to do so and cites the section or sections amended.

FEDERAL PROVISIONS ADDENDUM

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

1. Equal Employment Opportunity

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

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

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

- b. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- c. The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.
- d. The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- e. The Contractor will comply with all provisions of [Executive Order 11246](#) of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- f. The Contractor will furnish all information and reports required by [Executive Order 11246](#) of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- g. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in [Executive Order 11246](#) of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in

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[Executive Order 11246](#) of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

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

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

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

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

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

2. Davis-Bacon Act (Prevailing Wage)

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

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

3. Copeland "Anti-Kickback" Act

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

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

4. Contract Work Hours and Safety Standards Act

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

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

FEDERAL PROVISIONS ADDENDUM

5. Rights to Inventions Made Under a Contract or Agreement

If the Contract is funded by a federal “funding agreement” as defined under [37 CFR §401.2 \(a\)](#) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with [37 CFR Part 401](#), “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

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

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

Clean Air Act

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

Federal Water Pollution Control Act

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

7. Debarment and Suspension

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

- a. This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the Contractor is required to verify that none of the Contractor’s principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- b. The Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

FEDERAL PROVISIONS ADDENDUM

- c. This certification is a material representation of fact relied upon by the State. If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the State, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment
- d. The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

8. Byrd Anti-Lobbying Amendment

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

9. Procurement of Recovered Materials

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

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

10. Additional FEMA Contract Provisions.

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

- 1. **Access to Records.** The following access to records requirements apply to this contract:
 - a. The Contractor agrees to provide the State, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions
 - b. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed
 - c. The Contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract

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In compliance with the Disaster Recovery Act of 2018, the State and the Contractor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

2. Changes.

1. See the provisions regarding modifications or change notice in the Contract Terms.

3. DHS Seal Logo and Flags.

2. The Contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

4. Compliance with Federal Law, Regulations, and Executive Orders.

This is an acknowledgement that FEMA financial assistance will be used to fund all or a portion of the contract. The Contractor will comply with all applicable Federal law, regulations, executive orders, FEMA policies, procedures, and directives.

5. No Obligation by Federal Government.

The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the State, Contractor, or any other party pertaining to any matter resulting from the Contract.”

6. Program Fraud and False or Fraudulent Statements or Related Acts

The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor’s actions pertaining to this contract.

EXHIBIT 1

BYRD ANTI-LOBBYING CERTIFICATION

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

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

Certification for Contracts, Grants, Loans, and Cooperative Agreements

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

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

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

EXHIBIT 1

BYRD ANTI-LOBBYING CERTIFICATION

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