



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 **8**

to

Contract Number **MA210000001422**

| | |
|-------------------|-------------------------------|
| CONTRACTOR | Slalom, LLC |
| | 660 Woodward Ave., Suite 1975 |
| | Detroit MI 48226 |
| | Scott Boynton |
| | (313) 570-5556 |
| | scott.boynton@slalom.com |
| | VS0150962 |

| | | | |
|--------------|-------------------------------|-----------------------|------|
| 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 | |
| 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 | |
| \$9,549,097.00 | | \$0.00 | \$9,549,097.00 | |

| DESCRIPTION |
|--|
| <p>Effective 11/21/24, the following changes are hereby added to the Contract:</p> <ol style="list-style-type: none">1. The Contractor contact has been changed to Scott Boynton. scott.boynton@slalom.com / (313) 570-55562. The Contract Administrator has been changed to Adam Ashley. ashleya2@michigan.gov / (517) 855-1376 <p>All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement approval.</p> |



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

CONTRACT CHANGE NOTICE

Change Notice Number **7**
to
Contract Number **210000001422**

| | | | | | |
|-------------------|-------------------------------|--------------|-------------------------------|-----------------------|------|
| CONTRACTOR | Slalom, LLC | STATE | Program Manager | Holly Grandy-Miller | DTMB |
| | 660 Woodward Ave., Suite 1975 | | | 517-243-8710 | |
| | Detroit, MI 48226 | | Contract Administrator | Millerh1@michigan.gov | |
| | Cathy Shim | | | Sean Regan | DTMB |
| | 734-846-6575 | | | (517) 243-8459 | |
| | cathy.shim@slalom.com | | | regans@michigan.gov | |
| | VS0150962 | | | | |

| 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 - 1 Year | August 31, 2026 | |
| PAYMENT TERMS | | DELIVERY TIMEFRAME | | |
| | | | | |
| ALTERNATE PAYMENT OPTIONS | | | EXTENDED PURCHASING | |
| <input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other | | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| MINIMUM DELIVERY REQUIREMENTS | | | | |
| | | | | |
| DESCRIPTION OF CHANGE NOTICE | | | | |
| OPTION | LENGTH OF OPTION | EXTENSION | LENGTH OF EXTENSION | REVISED EXP. DATE |
| <input type="checkbox"/> | | <input type="checkbox"/> | | August 31, 2026 |
| CURRENT VALUE | VALUE OF CHANGE NOTICE | ESTIMATED AGGREGATE CONTRACT VALUE | | |
| \$9,519,097.00 | \$30,000.00 | \$9,549,097.00 | | |
| DESCRIPTION | | | | |
| Effective January 10, 2024, this Contract is increased by \$30,000.00 for Slalom to provide guidance to DTMB OCI and the MiLogin in team to do a post project usability study from Change Notice 1. | | | | |
| Funding for this Change Notice was previously approved on the 7/11/2023 Administrative Board. | | | | |
| All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement and DTMB Central Procurement Services approval. | | | | |



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

CONTRACT CHANGE NOTICE

Change Notice Number **6**
to
Contract Number **210000001422**

| | |
|-------------------|-------------------------------|
| CONTRACTOR | Slalom, LLC |
| | 660 Woodward Ave., Suite 1975 |
| | Detroit, MI 48226 |
| | Cathy Shim |
| | 734-846-6575 |
| | cathy.shim@slalom.com |
| | VS0150962 |

| | | | |
|--------------|-------------------------------|-----------------------|------|
| STATE | Program Manager | Holly Grandy-Miller | DTMB |
| | | 517-243-8710 | |
| | | Millerh1@michigan.gov | |
| | Contract Administrator | Sean Regan | DTMB |
| | | (517) 243-8459 | |
| | | regans@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 - 1 Year | August 31, 2026 | | | | |
| PAYMENT TERMS | | DELIVERY TIMEFRAME | | | | | |
| | | | | | | | |
| ALTERNATE PAYMENT OPTIONS | | | EXTENDED PURCHASING | | | | |
| <input type="checkbox"/> P-Card | <input type="checkbox"/> PRC | <input type="checkbox"/> Other | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | | | |
| MINIMUM DELIVERY REQUIREMENTS | | | | | | | |
| | | | | | | | |
| DESCRIPTION OF CHANGE NOTICE | | | | | | | |
| OPTION | LENGTH OF OPTION | EXTENSION | LENGTH OF EXTENSION | REVISED EXP. DATE | | | |
| <input type="checkbox"/> | | <input type="checkbox"/> | | August 31, 2026 | | | |
| CURRENT VALUE | VALUE OF CHANGE NOTICE | ESTIMATED AGGREGATE CONTRACT VALUE | | | | | |
| \$8,044,097.00 | \$1,475,000.00 | \$9,519,097.00 | | | | | |
| DESCRIPTION | | | | | | | |
| Effective March 13, 2023, the Michigan State Police are adding \$1,475,000.00 for continued work on the MSP CJIC Culture of Data Initiation Phase 2 with Slalom. The statement of work below outlines the associated deliverables. | | | | | | | |
| Funding for this Change Notice was previously approved on the 10/15/2022 Administrative Board. | | | | | | | |
| All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement and DTMB Central Procurement Services approval. | | | | | | | |

STATEMENT OF WORK - IT CHANGE NOTICE

| | |
|--|--|
| Project Title: CJIC Culture of Data Initiation Project SOW | Period of Coverage: 4/1/2023 – 9/13/2023 |
| Requesting Department: Michigan State Police | Date: 2/24/2023 |
| Program Manager: Holly Grandy-Miller (DTMB) | Phone: 517-243-8710 |
| Contract Administrator: Sean Regan (DTMB) | Phone: 517-243-8459 |

Brief description of services to be provided:

BACKGROUND:

In support of core agency mission and goals, the Michigan State Police (MSP) is seeking to improve policies and processes related to the collection and dissemination of data. To achieve this, MSP is requesting support in using Human Centered Design to create a “Modern Culture of Data”. During the Culture of Data Initiation Phase, Slalom used Human Centered Design to draft a five-year strategic plan, create artifacts to help facilitate collection and dissemination of data, and complete related change management and lean coaching activities. As the department completes additional strategic planning for 2023-2025 in early 2023, the five-year strategic plan and foundation for a “Modern Culture of Data” need to be finalized with Phase 2.

PROJECT OBJECTIVE:

The objective of Phase 2 is to establish a foundation for the mindset of “Modern Culture of Data” through three primary workstreams. This mindset stems from the belief that data, tools, and technology are nothing without people. And **people make culture**. At its highest level of success, a modern culture of data creates a culture of experimentation and innovation, where people have the power to accelerate agency outcomes with rapid insights, allowing the organization to achieve the full potential of its investments in data and analytics. By focusing on establishing a Modern Culture of Data, Criminal Justice Information Center (CJIC) will progress towards greater operational efficiency, increased team member retention and recruitment, greater transparency and trust, and support MSP’s reputation as a leader in modernizing policing efforts nationwide.

SCOPE OF WORK:

In order to establish the foundation for a Modern Culture of Data within CJIC, a broad range of coordinated, parallel workstreams are included in this phase of work. Three

workstreams are proposed to support prioritized projects within the five-year strategic plan. These workstreams are:

1. **Bold Vision and Transformation Coaching**

Objective(s): Define bold vision statement for data at CJIC, provide clarity on strategic roadmap to support CJIC creation of a strategic plan, and provide coaching on transformation prioritization and execution.

2. **Data Capabilities Center Design and Data Best Practices**

Objective(s): Create the design for a dedicated group mandated to implement standard processes, efficiencies, tools and techniques to drive consistency throughout CJIC and demonstrate execution with implementation of prioritized data best practices.

3. **Data Capabilities Center Learning Needs and Content Curation**

Objective(s): Leverage the newly formed Data Capabilities Center to assess learning needs for different CJIC roles, curate content for upskilling, and transition to CJIC for implementation.

Below is a table detailing each workstream, phase, activities, and outputs.

| Workstream | Phases and Key Activities | Outputs / Deliverables |
|--|--|--|
| 1. Bold Vision and Transformation Coaching Timeframe: Weeks: 1-12 | Vision Development <ul style="list-style-type: none"> Finalize bold vision statement by leveraging past exercises and new department strategic vision Align CJIC's vision to broader department goals that tie to leadership's strategic mission and vision | Slalom Owned <ul style="list-style-type: none"> Bold Vision Statement |
| | Strategic Roadmap Deep-Dive <ul style="list-style-type: none"> Facilitate understanding of 20 additional projects on strategic roadmap through workshops. Review strategic plan created by CJIC team members as requested | Slalom Owned <ul style="list-style-type: none"> Advisory support and document reviews for A) 20 additional projects on strategic roadmap B) CJIC Strategic Plan MSP Owned <ul style="list-style-type: none"> One-page documents for each prioritized project (up to 20) CJIC Strategic Plan |

| Workstream | Phases and Key Activities | Outputs / Deliverables |
|---|---|---|
| | Coaching for Prioritization and Initial Metrics <ul style="list-style-type: none"> • Provide coaching on initial measurable goals and establish a cadence to revisit progress (i.e. monthly, quarterly) • Facilitate definition of initial measurement approach for the transformation • Facilitate definition of initial program governance KPI definition to evaluate across CJIC projects | Slalom Owned <ul style="list-style-type: none"> • Workshop readout for integrating approach and communication for CJIC, MCOB, MSP now and near-term projects • Outline describing KPIs (up to 12) related to tracking program governance and transformation success • Advisory support and document reviews of prioritization framework MSP Owned <ul style="list-style-type: none"> • Document defining prioritization framework |
| 2. Data Capabilities Center - Design and Data Best Practices Timeframe: Weeks 1-20 | Data Capabilities Center Vision & Design <ul style="list-style-type: none"> • Identify DCC vision and charter and articulate the value proposition of the DCC to the rest of the organization (what is our “why?”). • Detail DCC strategic goals and objectives – aligning to CJIC’s overall Bold Vision • Develop DCC structure highlighting strategic pillar areas of focus (i.e. governance, coaching, innovation). • From strategic pillars, identify DCC roles and responsibilities – including any key supporting roles from the business or other agencies. | Slalom Owned <ul style="list-style-type: none"> • DCC Charter document • Outline of Strategic Goals & Objectives • Initial Epic-Level Backlog for DCC • DCC Operating Model & Org Structure document |
| | Data Best Practices <ul style="list-style-type: none"> • Determine the appropriate DCC maturity metrics to track progress (align with broader CJIC transformation measurement approach). • Define data policies and standards with input from CJIC staff to create best practices documentation. • Define and pilot prioritized data processes related to data analytics and use. | Slalom Owned <ul style="list-style-type: none"> • Definition of Initial DCC Metrics (no more than 6) • Prioritized Data processes (no more than 3) • Best practices documentation and templates for prioritized needs (no more than 5) • Advisory support and document reviews of approach to communicate DCC decisions impacting CJIC team members MSP Owned |

| Workstream | Phases and Key Activities | Outputs / Deliverables |
|---|---|--|
| | | <ul style="list-style-type: none"> Documents and communication of new policies and changes to standardize |
| 3. Data Capabilities Center – Learning Needs and Content Curation Timeframe: Weeks: 9 – 24 | Identify Learning Needs & Content <ul style="list-style-type: none"> Review existing unit snapshots for updates and remaining unit snapshots. Determine learning topics for no more than 4 audiences based on identified learning needs to reach future state maturity goals. Curate prioritized learnings (i.e. recorded trainings, articles, visual job aids, hands-on opportunities, published existing content, etc.) for each topic within each learning journey. Identify areas where net new material may need to be created and develops plan to create content. | Slalom Owned <ul style="list-style-type: none"> Completion of current state unit snapshots (no more than 3) Learning Needs Assessment for CJIC Analysts, Specialists, Technicians, Managers Curated Learning Library Learning Strategy & Plan MSP Owned <ul style="list-style-type: none"> Advisory support and document reviews of Learning Needs Assessment, Curated Learning Library, and Learning Strategy & Plan |

A blended team of experienced advisors will work with on each of the three workstreams. The Slalom team will consist of:

| Title | Primary Workstream | Duties | Commitment |
|-----------------------------------|---|---|----------------------|
| Program Manager + Workstream Lead | Bold Vision and Transformation Coaching | As workstream lead, this individual will be responsible for coordinating day-to-day activities for the workstream and providing status updates. Provides advisory support on the program and project management governance approach, facilitates identification and definition of KPIs and transformation metrics, and supports the development of the prioritization framework for the transformation program. | Full Time (12 weeks) |
| Organizational Strategy Lead | All | Responsible to support across all three workstreams in varying capacities. For Bold Vision and Transformation Coaching, will lead creation of the bold vision statement. For Data Capabilities Center Design and Data Best Practices workstream, will support creation of the DCC vision and charter and advise on discussions related to | Full Time (24 weeks) |

| | | | |
|-----------------------------------|--|---|----------------------|
| | | CJIC team members roles and responsibilities as part of the DCC. For Data Capabilities Center – Learning Needs and Content Curation, will support identification of learning needs across roles and units and content curation to address those needs. | |
| Data Strategist & Workstream Lead | Data Capabilities Center - Design and Data Best Practices | Data & Technology expert that leads DCC charter, strategy, and aligns vision to overall strategic plan. The Data Strategist will help define metrics to measure and anticipate operationalization roadblocks. The Data Strategist will also lead prioritization exercises to determine what data processes and documentation should be created. As workstream lead, this individual will be responsible for coordinating day-to-day activities for the workstream and providing status updates. | Full Time (20 weeks) |
| Data Guardian | Data Capabilities Center - Design and Data Best Practices | Leads the development of the Data Capability Center operating model and organizational structure. The Data Guardian will help define the key roles and responsibilities with support from the Organizational Strategist. The Data Guardian will create best practices templates and documentation as prioritized. | Full Time (20 weeks) |
| Learning Lead + Workstream Lead | Data Capabilities Center – Learning Needs and Content Curation | Leads the overall assessment strategy to identify learning needs for prioritized roles within CJIC. Partners with the Organizational Strategist and Experience consultant to curate content to meet learning needs. As workstream lead, this individual will be responsible for coordinating day-to-day activities for the workstream and providing status updates. | Full Time (16 Weeks) |
| Experience Consultant | Data Capabilities Center – Learning Needs and Content Curation | Leads the effort to understand the current state audiences not met in Phase 1 and helps to identify content tailored to the learning needs of each audience. Provides a Human Centered Design approach to the development of deliverables and advises CJIC team on future implementation. | Full Time (16 weeks) |
| Public Safety and Slalom SMAs | All | Provides Public Safety subject matter advisership for the Slalom delivery team. Enables the sharing of best practices from Slalom’s National Justice & Public Safety team. | Part Time (25%) |
| Delivery Solution Lead | All | The Delivery Solution Lead (DSL) will be an experienced data driven culture practitioner. The DSL will provide consistency across all “Modern Culture of Data” activities as well as owning the “Modern Culture of Data” vision on the Slalom side. | Part Time (50%) |
| Engagement Lead | All | The Engagement Lead (EL) will be an experienced transformation leader. The EL will provide consistency across all Slalom workstreams and help maintain and | Part Time (40%) |

| | | | |
|-----------------------|-----|---|-----------------|
| | | measure momentum towards transformation objectives. The EL will also be the first line of escalation and will assist delivery leads in the day-to-day management of work. | |
| Accountable Executive | All | The Accountable Executive (AE) will serve as an additional point of escalation for any issues or needs that may arise. They will lead the account on the Slalom side and directly engage with MSP leadership to ensure a high-value result. | Part Time (20%) |

TASKS:

No technical support is required to assist with the tasks above.

DELIVERABLES:

Deliverables will not be considered complete until the Agency Project Manager has formally accepted them. Deliverables are the outputs listed in the table above.

ACCEPTANCE CRITERIA:

This Change Notice does not include changes to the originally agreed upon terms.

PROJECT CONTROL AND REPORTS:

This Change Notice does not include changes to the originally agreed upon terms.

SPECIFIC DEPARTMENT STANDARDS:

This Change Notice does not include changes to the originally agreed upon terms.

PAYMENT SCHEDULE:

Successful delivery of this project requires the coordination of three workstreams. Provided below is a pricing breakdown for each workstream to develop their respective deliverables detailed within the Scope of Work section. Slalom and Client agree that Slalom will invoice Client monthly as detailed under the Pricing Term section below for work completed toward each of the below deliverables.

| Workstream Deliverables | Pricing |
|---|-----------|
| 1. Bold Vision and Transformation Coaching | \$250,000 |
| 2. Data Capabilities Center - Design and Data Best Practices | \$600,000 |
| 3. Data Capabilities Center – Learning Needs and Content Curation | \$625,000 |

| | |
|--------------|--------------------|
| Total | \$1,475,000 |
|--------------|--------------------|

Pricing Term

Slalom will bill the Client on a fixed fee pricing model, billed monthly.

Fees for the Services for the project described in this SOW shall be determined as follows:

| | |
|-------------------------------------|---|
| Project Type: | <input checked="" type="checkbox"/> Fixed Fee |
| Estimated Fees for Services: | \$1,475,000 |
| Invoicing | Monthly (see Invoice Table) |

| Invoicing Schedule | |
|--------------------|-----------|
| Invoice Date | Amount |
| 4/30/2023 | \$245,000 |
| 5/31/2023 | \$245,000 |
| 6/30/2023 | \$245,000 |
| 7/31/2023 | \$245,000 |
| 8/31/2023 | \$245,000 |
| 9/15/2023 | \$250,000 |

Any changes to the scope of services, financials, staffing and/or drastic timing (defined as timing that shifts more than 30 days) requires formal Client approval as well as an approved SOW Change Order.

Client will only reimburse supplier for expenses incurred, documented, and submitted in accordance with Client's Expense Reimbursement Policy and Standard Contract Terms.

DTMB will pay CONTRACTOR upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable will coordinate obtaining Agency and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date and must be approved by the Agency and DTMB Project Manager prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees. When expenses are invoiced, receipts will need to be provided along with a detailed breakdown of each type of expense.

Payment shall be considered timely if made by DTMB within forty-five (45) days after receipt of properly completed invoices.

EXPENSES:

This Change Notice does not include changes to the originally agreed upon terms.

AGENCY RESPONSIBILITIES:

This Change Notice does not include changes to the originally agreed upon terms.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:

This Change Notice does not include changes to the originally agreed upon terms.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:

This Change Notice does not include changes to the originally agreed upon terms.

CLIENT RESPONSIBILITIES & ASSUMPTIONS

Assumptions:

1. The Slalom and client teams will align to the department-wide strategic plan as best as possible.
2. The data best practices and learning needs of each Unit will not vary to the extent that standards for the division cannot be agreed upon between the Slalom team and client.
3. The implementation of upskilling and enforcement of data best practices will be led by the client during and after this engagement.
4. Client owners for each workstream will be identified in the first month of each workstream to benefit from intentional coaching and upskilling in advance of transition.
5. Advisory support requests by both Client and Slalom will allow for adequate time (5 business days) to be completed.
6. Document review requests by Client will allow for adequate time (5 business days) to be completed.
7. The client will ensure key access to Michigan State Police and State of Michigan systems are provided to Slalom team resources at the start of Week 1.
8. Slalom will not access any Michigan State Police data, CJIS or otherwise, and other sensitive information. For clarity, no third-party PII or other sensitive information will be transferred to Slalom by MSP or otherwise processed within Slalom's devices or environment. Should we need to revisit this assumption, Slalom may require additional protections and protocols be put in place and documented in an amendment to this SOW.
9. The project will be completed following an agile sprint schedule, including standard scrum ceremonies (stand-ups, backlog planning/grooming, bi-weekly demos, etc.).
10. Slalom will rely on all decisions and approvals of Client in connection with the Services including execution of any strategy(s) or roll-out of pilot(s).

11. Slalom and Client will participate in weekly status review meetings to determine accomplishments with the plan and identify issues that need immediate resolution. To keep the project on track, a response is required within one business day for critical issues. For other issues, a response is required in two business days.
12. All work will be scoped to be delivered within the time estimates allotted. If a requirement or deliverable is defined or redefined in such a way that accomplishing it would exceed the budget for the project, a change order will be proposed, and revised estimate provided.
13. Slalom will not be responsible for delays due to Client, DTMB, other State of Michigan resources, or Client vendors, including their failure to execute the Client responsibilities.
14. The majority of work will be performed remotely. In-person work will be determined on a case-by-case basis when deemed necessary, such as workshops or readouts.
15. Client will assign Client personnel/Program Manager and ensure to the best of its ability that all information provided to Slalom is complete, accurate and current in all material respects, contains no material omissions and is updated promptly and continuously during the engagement.
16. Client will provide the necessary documentation and access to key Client technical and business personnel, including CJIC and DTMB staff, on a timely basis.

Client Responsibilities:

1. The client team will provide dedicated team members to lead the transformation program and participate in coaching activities led by Slalom.
2. The client team will complete prioritization of projects and develop strategic plan and request feedback from Slalom if appropriate.
3. The client team will determine the impacted stakeholders for the transformation and be primarily responsible to complete communication, adoption, and change management related activities
4. The client team will measure baseline metrics and KPIs for the transformation and Data Capabilities Center.
5. The Client team owned deliverables / outputs described in the Scope of Work within the duration of the contract. If unable to complete, Slalom will not be responsible for related document reviews.
6. The client team will be available for a project kick-off meeting on the first day of the project to ensure we can adhere to our project timeline.
7. The client will provide/facilitate timely access to key subject matter experts, interviewees, and other key personnel to enable effective execution of the work.
8. The project sponsors should be available 1-2 hours a day for the first 5 days of the engagement, and as needed throughout the remainder of the engagement.
9. Provide promptly such information, documentation, decisions, approvals, and assistance as requested or necessary for Slalom's performance and maintenance of project cadence.
10. Provide complete, accurate and current information and update it promptly and continuously as necessary during the engagement.
11. Ensure use and procurement of appropriate licenses.



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P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **5**
to
Contract Number **210000001422**

| | |
|-------------------|-------------------------------|
| CONTRACTOR | Slalom, LLC |
| | 660 Woodward Ave., Suite 1975 |
| | Detroit, MI 48226 |
| | Cathy Shim |
| | 734-846-6575 |
| | cathy.shim@slalom.com |
| | VS0150962 |

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|--------------|-------------------------------|-----------------------|------|
| STATE | Program Manager | Holly Grandy-Miller | DTMB |
| | | 517-243-8710 | |
| | | Millerh1@michigan.gov | |
| | Contract Administrator | Sean Regan | DTMB |
| | | (517) 243-8459 | |
| | | regans@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 - 1 Year | | August 31, 2026 | | | |
| PAYMENT TERMS | | DELIVERY TIMEFRAME | | | | | |
| | | | | | | | |
| ALTERNATE PAYMENT OPTIONS | | | | EXTENDED PURCHASING | | | |
| <input type="checkbox"/> P-Card | <input type="checkbox"/> PRC | <input type="checkbox"/> Other | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | | |
| MINIMUM DELIVERY REQUIREMENTS | | | | | | | |
| | | | | | | | |
| DESCRIPTION OF CHANGE NOTICE | | | | | | | |
| OPTION | LENGTH OF OPTION | EXTENSION | LENGTH OF EXTENSION | REVISED EXP. DATE | | | |
| <input type="checkbox"/> | | <input type="checkbox"/> | | August 31, 2026 | | | |
| CURRENT VALUE | VALUE OF CHANGE NOTICE | ESTIMATED AGGREGATE CONTRACT VALUE | | | | | |
| \$6,550,075.00 | \$1,494,022.00 | \$8,044,097.00 | | | | | |
| DESCRIPTION | | | | | | | |
| Effective February 13, 2023, the Michigan State Police are adding \$1,494,022.00 to this Contract for the MSP Strategic Direction Phase II with Slalom. | | | | | | | |
| Funding for this Change Notice was previously approved on the 10/15/2022 Administrative Board. | | | | | | | |
| All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement and DTMB Central Procurement Services approval. | | | | | | | |

SCHEDULE A – STATEMENT OF WORK

PROJECT-SPECIFIC BACKGROUND

General

The Michigan State Police (MSP) is in the process of creating the 2023-2025 Strategic Direction for the department. Our approach is being done in a highly collaborative, human-centered-design manner, engaging the department membership across all levels to complete and activate our Strategic Direction by building engagement, understanding, and support along the way.

We are currently in Phase I, with anticipated completion in early 2023. This phase included development of:

- **Just Cause Statement**
- **Theme**
- **Investment Areas**
- **Objective Statements**
- **Key Results**, in-process and will be completed in phase I

The Contractor will provide the services outlined below to address the second / final phase of the Strategic Direction development.

Phase II will include the development of Initiatives, Action Plans (along with education) and a plan for execution and communication of the Strategic Direction roll out.

Overall outcomes

- Activate the MSP Strategic Direction 2023-2025 with engaged and aligned members across the Department.
- Position the MSP to guide and adjust efforts of the Department through regular review and assessment of progress and consideration of internal / external factors that impact direction, and priority or pace.
- Initiate foundational strategy and road mapping required to define coordinated portfolio of initiatives and supporting action plan activities.

1. Requirements

1.1. General Requirements

The purpose of this project is to have a finalized Strategic Direction that aligns with MSP's Just Cause and objective statements.

This project is intended to have an iterative, Human-Centered Design approach. MSP seeks recommendations regarding delivery, and Contractor is expected to implement solutions.

Note: MSP retains the option for additional project iterations, at additional agreed-to cost, beyond the initial service timeframe. Additional project iterations are not expected.

Artifacts from Phase I of this project include:

- Investment Areas
- Objective Statements
- Key Results

The result of the project will help MSP share a unified vision across personnel that provides high quality customer service, policing, and public safety services. This shall be achieved in following ways:

- Create and execute human-centered approach to finalizing Key Results; defining initiatives; launching and supporting Action Planning across districts and divisions.
- Develop and support delivery of engagement and rollout plan for Strategic Direction. Incorporating human-centered approach for addressing various member segments across the Department.
- Develop and mobilize activation and operation plan for managing Strategic Direction.
- Develop / enable key results and measurement / tracking tools with user experience emphasis.
- Define recommended program structure to support cross-bureau initiatives, support mobilization and execution of program management.
- Define human-centered strategies for customer experience, brand/reputation and recruiting experience and recommend service requirements to deliver.
- Develop human-centered innovation approach to support solutioning efforts for advancing public safety services.

1.2. Work and Deliverables

The Contractor must provide deliverables, services, staff, and otherwise do all things necessary for, or incidental to, the performance of work, as set forth below.

Contractor must:

- a. Develop a method to monitor and track Key Results.
- b. Develop initiatives that will support the success of Objective Statements and the overall MSP 2023 – 2025 Strategic Direction.

- c. Develop action plans that align with initiatives and objective statements. Activities will include and not be limited to:
 - i. Creating an Action Plan template that can be used across the department.
 - ii. Develop up to 20 District/Division action plans. Each plan may be unique based on the characteristics of the region or District/Division.
 - iii. Create Action Plan training to include plan development and on-going management. Provide on-site staff training at six (or more) regional locations with the option to record a session.
 - iv. Develop socialization plan and supporting materials for phase II rollout.
 - v. Develop a methodology for on-going monitoring, tracking and management of the action plans.
- d. Create and execute a plan to activate / operationalize the Strategic Direction to include:
 - i. Communication both internal and external to MSP
 - ii. Milestones and timeframes
 - iii. Change management activities
 - iv. Measurement / tracking enablers
- e. Initiate foundational strategies.

1.3. Training/Knowledge Transfer

The State of Michigan wants to better understand steps taken throughout the HCD process and requests the Contractor enable state employees to learn through observation, participation, and de-briefing of facilitation activities of the project. Contractor must provide to the OCI/HCD team opportunities to co-facilitate workshops/activities. Appropriate knowledge transfer and training should be delivered to core members of the OCI/HCD and the MSP teams to build competency in HCD and ensure the ability to maintain the implemented solution.

2. Service Requirements

2.1. Timeframes

All Contract Activities must be delivered by July 12, 2023.

MSP retains the option for additional project iterations, at additional agreed-to cost, beyond the initial service timeframe.

2.2. 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.

3. Staffing

3.1. Key Personnel

Slalom's Key Personnel Individuals are listed below:

| 1. Name, Role: | 2. Direct / Sub/ Contract: | 4. Resident Of: | 4. Years of Relevant Experience: | 5. Experience with MSP: |
|--|-------------------------------------|----------------------------|--|-------------------------------|
| Melissa Holland Accountable Executive | Direct | Beverly Hills, Michigan | 18 years | Yes |
| Jamie Hart Delivery Solution Lead | Direct | Royal Oak, Michigan | 20 years | Yes |
| Morgan Jensen Engagement Lead | Direct | Grosse Pointe, Michigan | 12 years | Yes |
| Josh Ribolla HCD Lead | Direct | West Bloomfield, Michigan | 23 years | Yes |
| Cathy Shim Relationship Lead | Direct | Farmington Hills, Michigan | 11 years | Yes |

Key Personnel must be on-site at location as requested by the agency. This may include kick-off meeting, briefings, and other meetings that are collaborative in nature.

4. Project Management

4.1. Project 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 final project plan to the Program Manager for approval. The plan must include: (a) the Contractor's organizational chart with names, titles, and brief CVs (Curriculum Vitae) of proposed personnel assigned to the project, which must align with the staffing stated in accepted proposals; and (b) the project breakdown showing sub-projects, tasks, timeline, and resources required.

4.2. Meetings

The Contractor must attend weekly status meetings. The State may request other meetings, as it deems appropriate. Meetings will be in person unless otherwise coordinated by the MSP project team.

4.3. Reporting

The Contractor must submit to the Program Manager and OCI/HCD liaison the following written reports:

- Weekly project status
- Monthly project(s) summary
- Final project presentation

5. Pricing

5.1. Price Term

Pricing for the entire length of the Contract is at the fixed amount of \$1,494,022.00, and will be invoiced according to the schedule below.

Invoicing Schedule

| Invoice Date | Invoice Amount |
|---------------------|-----------------------|
| February 28, 2023 | \$172,000 |
| March 31, 2023 | \$285,000 |
| April 30, 2023 | \$285,000 |
| May 31, 2023 | \$285,000 |
| June 30, 2023 | \$285,000 |
| July 12, 2023 | \$182,022 |



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

CONTRACT CHANGE NOTICE

Change Notice Number **4**
to
Contract Number **210000001422**

| | |
|-------------------|-------------------------------|
| CONTRACTOR | Slalom, LLC |
| | 660 Woodward Ave., Suite 1975 |
| | Detroit, MI 48226 |
| | Cathy Shim |
| | 734-846-6575 |
| | cathy.shim@slalom.com |
| | VS0150962 |

| | | | |
|--------------|-------------------------------|-----------------------|------|
| STATE | Program Manager | Holly Grandy-Miller | DTMB |
| | | 517-243-8710 | |
| | | Millerh1@michigan.gov | |
| | Contract Administrator | Sean Regan | DTMB |
| | | (517) 243-8459 | |
| | | regans@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 - 1 Year | August 31, 2026 | | | | |
| PAYMENT TERMS | | DELIVERY TIMEFRAME | | | | | |
| | | | | | | | |
| ALTERNATE PAYMENT OPTIONS | | | EXTENDED PURCHASING | | | | |
| <input type="checkbox"/> P-Card | <input type="checkbox"/> PRC | <input type="checkbox"/> Other | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | | | |
| MINIMUM DELIVERY REQUIREMENTS | | | | | | | |
| | | | | | | | |
| DESCRIPTION OF CHANGE NOTICE | | | | | | | |
| OPTION | LENGTH OF OPTION | EXTENSION | LENGTH OF EXTENSION | REVISED EXP. DATE | | | |
| <input type="checkbox"/> | | <input type="checkbox"/> | | August 31, 2026 | | | |
| CURRENT VALUE | VALUE OF CHANGE NOTICE | ESTIMATED AGGREGATE CONTRACT VALUE | | | | | |
| \$1,089,479.00 | \$5,460,596.00 | \$6,550,075.00 | | | | | |
| DESCRIPTION | | | | | | | |
| Effective January 30, 2023 this Contract is increased by \$5,460,596.00 for the Michigan Department of Health and Human Services. The following statement of work includes multiple human center design projects that Slalom will be assisting the Office of Child Support on. | | | | | | | |
| Funding for this Change Notice was previously approved on the 10/15/2022 Ad Board. | | | | | | | |
| All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement and DTMB Central Procurement Services approval. | | | | | | | |

SCHEDULE A – STATEMENT OF WORK

CONTRACT ACTIVITIES

| | |
|---|---|
| Project Title: Assist Office of Child Support (OCS) in becoming a Human Centric Organization | Period of Coverage: 01-03-2023 until 12-31-2026 |
| Requesting Department: MDHHS | Date: 9/27/2022 |
| MDHHS Program Manager: Pratin Trivedi | Phone: 517-334-6560 |
| DTMB Program Manager: Dave Fox | Phone: 517-930-0972 |

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 desires of stakeholders interfacing with the State for services when developing technology. The State is contracting for Human Centric Design services herein this Statement of Work. This Statement of Work ("SOW") is entered into pursuant to, and hereby incorporates, the terms of Contract No. 210000001422 (Human Centered Design (HCD) Services – Prequalification Program) by and between The State of Michigan and Slalom, LLC.

1. Requirements

General Requirements

The State of Michigan, Office of Child Support (OCS) is requesting a Human Centered Design (HCD) partner to assist with OCS' goal to become a person centric organization. Developing a long-term relationship where our HCD partner grows to understand the organization and those we serve. This includes building the HCD capability and providing resources to perform roles within identified projects.

1.1 Child Support Background

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

State Title IV-D Child Support Agencies manage and operate child support programs. The Michigan Department of Health and Human Services, Office of

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

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

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

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

The inter-relationships with the multiple-agency composition of the child support program are reflected in more detail below:

Michigan Department of Health and Human Services (MDHHS)

MDHHS, through OCS is responsible for the administration and strategic oversight of the child support program, including MiCSES. MDHHS has Cooperative Reimbursement Program (CRP) agreements with county governments for FOC and PA offices to establish and enforce IV-D child support cases. The CRP provides local offices with state and federal funding for child support services and requires local offices to abide by federal and state IV-D policies and regulations.

Office of Child Support (OCS)

OCS is the designated Michigan IV-D agency and administers the statewide child support program within MDHHS. Operationally, OCS performs case intake and administrative enforcement functions and includes the Michigan State Disbursement Unit (MiSDU) which is responsible for the centralized receipt and disbursement of child support payments in Michigan.

State Court Administrative Office (SCAO)

Michigan SCAO under the Michigan constitution has oversight responsibility for all trial courts throughout the state. The Friend of the Court Bureau Division (FOCB) within SCAO, provides support to local FOC offices. SCAO is also responsible for the federally required child support formula used to set support amounts.

Department of Technology, Management, & Budget (DTMB)

DTMB is responsible for managing the State of Michigan's information technology resources. DTMB has had inter-agency agreements with MDHHS to provide data center, network, technical infrastructure services, and software application support for the MiCSES project. DTMB's primary role is responsibility for MiCSES hardware operations, connectivity and MiCSES software maintenance and support.

Friend of the Court (FOC)

The office of the FOC was created by statute in 1919. Approximately 2,000 professional users work within Michigan's FOC offices serving all 83 counties. The FOC is the child support operational division of the circuit court, and the director is appointed by the chief judge of that circuit. MDHHS-OCS contracts with local county governments for IV-D child support services through CRP contracts. The FOC's are the majority of professional users of MiCSES and are responsible for processing court orders; and investigating and enforcing support, custody, and visitation orders.

Prosecuting Attorney (PA)

The Prosecuting Attorney is an elected county official statutorily responsible for filing complaints for orders of support and other related court actions. The PA or an assistant prosecutor employed by the local county will initiate and conduct court proceedings to establish paternity and a support order on behalf of the child support program. MDHHS-OCS contracts with local county governments for IV-D child support services through CRP contracts.

1.2 Child Support Culture

OCS is intentionally working toward building an inclusive culture where we consider the experiences of professional-users and participant-users.

Some of the things we have done to support this culture shift include the following:

- Created customer journey maps of the program and recommendations for moving towards a more virtual service delivery model.
- Began implementing an Equity Impact Assessment process and created a Community Advisory Council which meets monthly.
- Reviewed and updated our strategic plan to include operating principles focused on family experience.

- Participating in the Michigan Action Plan for Father Involvement consortium to work with and learn from organizations supporting fathers.
- Creating an anti-racism transformation team for the program.

The current strategic plan can be found in Appendix A.

2. Services 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.

2.1 Human Centered Design (HCD) Training / Foundation

OCS is interested in establishing a long-term partnership with a vendor that provides HCD services, consultation, and will assist in building and supporting an HCD culture within the child support program. Training on general principles for key stakeholders, MDHHS staff, and the IT vendor involved in the program is imperative for building a relationship and a shared understanding of the HCD principles, processes, how they will be used, and how HCD intersects with the development work.

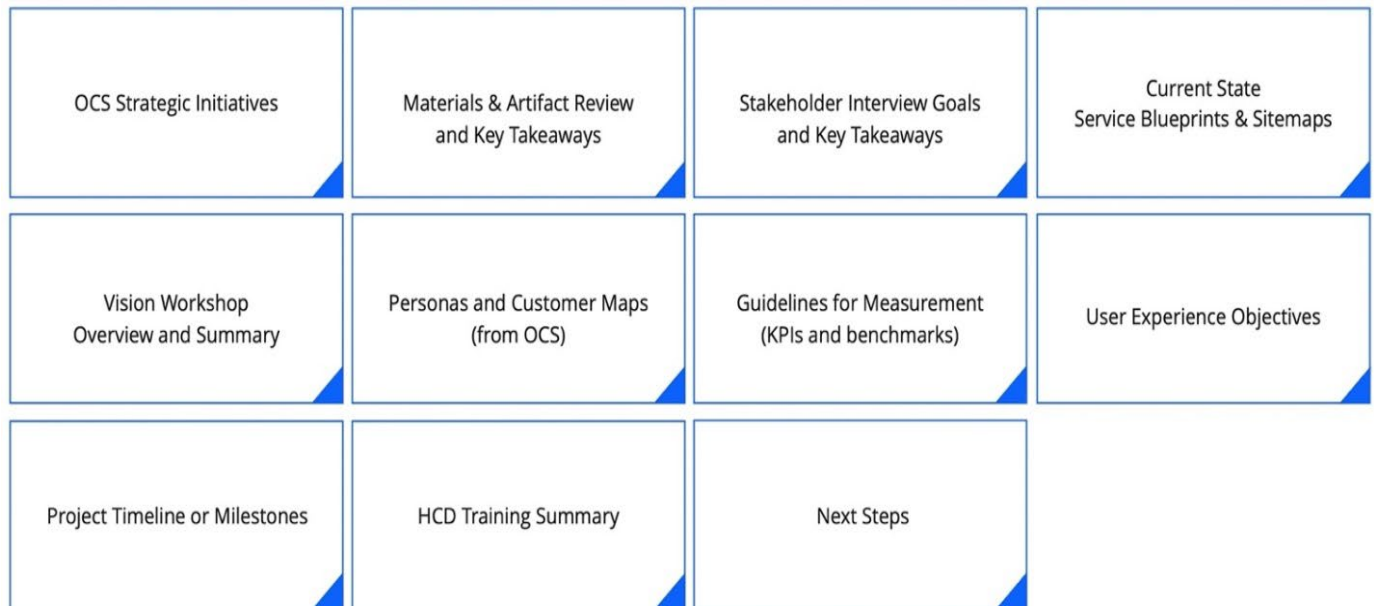
The Contractor will provide the following:

- a.) Virtual (or in-person if requested) instructor led training for Executives and Managers within the first 30 days of the contract execution date, on how to build and sustain a culture of HCD in the child support program;
- b.) Virtual (or in-person if requested) instructor led training for key stakeholders over the first year of the contract for a minimum of 90 to 120 minutes, on the general HCD principles, including concepts and approaches to support projects, discovery research that engages participants and users, and how to incorporate feedback received to improve the user experience and design patterns. Training requested will be on a case-by-case basis for each project.
- c.) Recordings of the trainings presented; and
- d.) Materials and supporting documentation on HCD processes.

The Contractor will use a Partnership Strategy to help understand both OCS and the people it serves. The Contractor will apply HCD methods such as interviews, current state service blueprints, and collaborative workshops. The Partnership Strategy will include the following subsections:

1. OCS Strategic Initiatives
2. Materials & Artifact Review and Key Takeaways
3. Stakeholder Interview Goals and Takeaways
4. Current State Service Blueprints & Sitemaps
5. Vision Workshop Overview and Summary
6. Personas and Customer Maps (from OCS)
7. Guidelines for Measurement (KPIs and benchmarks)

- 8. User Experience Objectives
- 9. Project Timeline or Milestones
- 10. HCD Training Summary
- 11. Next Steps



3. Project Approach

The Contractor will take a modular approach to the HCD Transformation effort which consists of an initial “Foundation” project followed immediately by project teams consisting of HCD, transformation, and delivery specialists. Following the first of these projects, the Contractor and Client will mutually determine a need for a program workstream (See below Section 3.2)

3.1 The Foundation Project

The Foundation project is a foundation both for the partnership of the Contractor and OCS, as well as a foundation for OCS’s continued HCD transformation. The Foundation Project will have four components: Basecamp, Leadership Alignment & HCD Training Design, HCD Baseline & Training Delivery, and OCS Partnership Strategy.

I. Basecamp

The Contractor must set up a “basecamp” to deliver valuable work. This will include key activities like stakeholder mapping that will enable Contractor to get to know the OCS team. This basecamp section will prepare the Contractor team not just to deliver the training exercises, but to become effective and fluent partners for the projects that follow.

II. Leadership Alignment & HCD Training Design

Contractor learnings from “basecamp” will propel them forward to use stakeholder insights to define learning needs by audience with a focus on OCS executive leadership and management to start. Aligning OCS leadership on the overall HCD strategy and vision for projects will be a focus prior to defining the HCD baseline and stakeholder training. The Contractor will leverage their guiding input to tailor the learning approach for the upcoming HCD training sessions as the Contractor must customize training content and generate reference materials.

III. HCD Baseline & Training Delivery

After the Contractor has aligned with OCS leadership and their ultimate vision, the next goal for the Contractor will be to establish an HCD process baseline. That will include surveying the HCD artifacts that OCS currently uses to understand what might be missing or incomplete. It will also include setting up some repeatable processes for the Contractor and OCS teams to learn about stakeholders via a consistent user experience research process.

These repeatable processes will be incorporated in the Contractors HCD training sessions and materials as requested in the Contract. The Contractors HCD practitioners will introduce critical topics in HCD and bring everyone up to at least a basic familiarity with key aspects relevant to their specific roles and responsibilities.

IV. OCS Partnership Strategy

The Contractors final destination is the OCS Partnership Strategy. This document will provide alignment and direction for OCS’s path forward into the future and will also tell the story of all the work we will have accomplished to reach our destination.

Foundation Project Workstream -

Key Activities & Deliverables Chart

| Phase | Key Activities | Deliverables |
|-------|----------------|--------------|
|-------|----------------|--------------|

| | | |
|---|---|--|
| <p>I. Basecamp</p> <p><i>Timeframe:</i> Weeks 1-2</p> | <ul style="list-style-type: none"> • Conduct Stakeholder alignment workshop to understand context of work • Define vision/values of the future with leader and staff input • Conduct introductory interviews with OCS leadership & key stakeholders to better understand current state of business • Identify roster of change agents and HCD early adopters | <ul style="list-style-type: none"> • Key takeaways from Stakeholder interviews / High-level Stakeholder Analysis • Vision / Value statement • Baseline operating agreement • Communications plan and meeting cadence |
| <p>II. Leadership Alignment & HCD Training Design</p> <p><i>Timeframe:</i> Weeks 3-4</p> | <ul style="list-style-type: none"> • Leverage Stakeholder Analysis to identify learning needs and objectives by audience/role • Create training materials and lesson plan for the executive and manager audience • Engage change agents and HCD early adopters for feedback on upcoming HCD training • Conduct virtual (or in-person if requested) training for executives and managers as a preview of how to build and sustain a culture of HCD in the child support program • Identify opportunities for leadership to participate/reinforce knowledge in Team Members HCD Training Session | <ul style="list-style-type: none"> • Learning Needs Assessment • Executive and Manager-level HCD Training Session and Reference Materials |

| | | |
|--|---|---|
| <p>III. HCD Baseline & Training Delivery</p> <p><i>Timeframe:</i> <i>Weeks: 5-8</i></p> | <ul style="list-style-type: none"> • Assess current personas, client and internal journey maps, etc. and identify gaps • Assess needs, plan a scalable process for regularly gathering user data in the form of user and stakeholder interviews • Conduct virtual (or in-person if requested) role-based HCD training for key stakeholders identified and record session(s) for future use • Identify focus areas for future learning topics throughout program | <ul style="list-style-type: none"> • HCD Artifact inventory and Gap Analysis • Process documentation for conducting scalable, repeatable user research studies (re: section 2.2) to aid OCS in establishing a routine, reliable method to seek input from participants and professionals • Project Onboarding Reference Material for Project Teams • HCD Training for Identified Team Members (ILT/VILT + recorded) • HCD Training Materials and Supporting Documentation • HCD Partner Strategy – detailed approach to executing upcoming HCD projects |
| <p>IV. OCS Partnership Strategy</p> <p><i>Timeframe:</i> <i>Week: 8</i></p> | <ul style="list-style-type: none"> • This presentation (and the accompanying document) will be the final outcome of all the work and will serve as a summary of work for future projects as well as serve OCS as a tool for alignment and shared vision. | <ul style="list-style-type: none"> • Executive level presentation and document |

Foundation Project Team will consist of four key team members. The project is planned for 8 weeks of work. The Contractor team will consist of:

Full Time = Average 40 hours per week

Part Time = Average 5-20 hours per week

| Title | Duties | Commitment |
|--------------------------|--|-------------------|
| HCD Lead | The HCD Lead will be primarily responsible for guiding the Foundation Project activities, including workshops, interviews, and training classes. | Full Time |
| HCD Strategist | The HCD Strategist will assist the HCD lead in conducting HCD-related activities, including leading some activities and working closely with OCS to model techniques and approaches. | Full Time |
| Learning & Adoption Lead | The Learning & Adoption Lead is an expert in learning strategy, design and execution, as well as adoption acceleration. They will participate heavily in understanding OCS context and will guide the planning and execution of training and other deliverables. | Full Time |
| Delivery Lead | The Delivery Lead will be a primary point of communication with the OCS team as well as organizing and coordinating activities. They will also coordinate standups, retrospectives, status reports, and other project cadence items. | Full Time |
| Engagement Lead | The Engagement Lead (EL) will be an experienced HCD practitioner. The EL will provide consistency across all HCD activities as well as owning the HCD vision on the Slalom side. The EL will also be the first line of escalation and will assist delivery leads in the day-to-day management of work. | Part time |
| Accountable Executive | The Accountable Executive (AE) will serve as an additional point of escalation for any issues or needs that may arise. They will lead the account on the Slalom side and directly engage with OCS leadership to ensure a high-value result. | Part time |

3.2 Program Workstream Team

A Program Workstream may be initiated upon written mutual agreement to provide continuity and consistency as pods are spun up to tackle projects in the Project Workstream (below), and eventually finish up their work. The team on the Program Workstream will dive deep into the needs of the OCS, becoming intimately familiar with its goals, philosophy, stakeholders, and most importantly with its clients.

The Contractor team will provide leadership and guidance to the pods and make sure they are prepared, supported, and informed. At the same time this team will be the direct conduit for OCS team members and leaders, ensuring communication is smooth and effective throughout the engagement. Finally, this team will provide a consistent thread to ensure that training and engagement stay on track.

This team will also be responsible for ongoing assessment and delivery of training needs within OCS, while occasionally pulling members of our project pod teams in to teach specific skills. This ongoing assessment capability will run alongside OCS as it develops, providing the right knowledge and support at the right time.

The **Program Workstream** will be invoiced on a monthly basis, to start and stop work at mutually agreed upon dates. The Contractor team will be determined based on mutually agreed upon need.

3.3 Project Workstream

The Project Workstream will consist of pods of consultants delivering one or more concurrent projects. Each project, see (**Appendix C** for Example Projects List will be assigned to a Small, Medium or Large pod, sized to tackle projects of increasing complexity. The teams will be staffed with HCD consultants, including UX researchers, strategists, change management, project leadership, designers, or transformation consultants, as needed, for the project. Over time as the transformation continues, one or more roles on each pod could be staffed with OCS personnel.

Project Workstream Pod Structure

| Pod Size | Example Scope | Team Size |
|---------------|--|--|
| Small | 3-4 Deliverables based on secondary & existing research or one round of primary research | 1 Delivery Lead 1 Senior Consultant 1 Consultant |
| Medium | 4-6 Deliverables including one round of primary research plus supporting deliverables | 1 Delivery Lead 1 Senior Consultant |

| | | |
|--------------|---|---|
| | | 2 Consultants |
| Large | 6+ Deliverables including primary research, design, and a full prototype build-and-test cycle | 1 Delivery Lead 1 Senior Consultant 3 Consultants |

Contractor Assumptions & State Responsibilities

Contractor Assumptions:

1. Contractor will have timely access to stakeholders and key resources to ensure that mutually agreed timelines and goals for this SOW can be met.
2. Contractor will rely on all decisions and approvals of Client in connection with the Services.
3. Contractor and State will participate in status review meetings to determine accomplishments with the plan and identify issues that need immediate resolution. To keep the project on track, a response is required within one business day for critical issues. For other issues, a response is required in two business days.
4. All work will be scoped to be delivered within the time estimates allotted. If a requirement or deliverable is defined or redefined in such a way that accomplishing it would exceed the budget for the project, a project change control will be proposed, and revised estimate provided for approval.
5. Contractor will not be responsible for delays due to State or State-affiliated third-party resources, including their failure to execute the State responsibilities.
6. All work will be performed remotely unless the State requests specific in person meetings.
7. State will assign personnel/Program Manager and ensure to the best of its ability that all information provided to Slalom is complete, accurate and current in all material respects, contains no material omissions and is updated promptly and continuously during the engagement.
8. State will provide the necessary documentation and access to key State technical and business personnel on a timely basis.
9. Costs, if any, in addition to SME costs will be clearly identified and included in the project cost estimates provided for approval.
10. State will provide active contract staff with suitable workspace and IT infrastructure (including workstations, laptops, systems access, software licenses, application environments, and data to local and remote staff), necessary to perform the Services described as projects are mutually approved.

State Responsibilities:

1. The State team will be available at a mutually convenient day and time for a project kick-off meeting within 10 days of SOW execution.
2. The State will provide/facilitate timely access to its key Business or State subject matter experts, interviewees, and other key personnel to enable effective execution of the work.
3. The project sponsors should be available 1-2 hours a day for the first 5 days of the engagement, and as needed throughout the remainder of the engagement.
4. Provide promptly such information, documentation, decisions, approvals, and assistance as requested or necessary for Slalom's performance and maintenance of project cadence.
5. Provide complete, accurate and current information and update it promptly and continuously as necessary during the engagement.

4. Service Requirements

4.1 Timeframes

This is a long-term, multi-year engagement, and activities and deliverables will be agreed upon on a case-by-case basis. It is expected that once a request is made by the Office of Child Support, the vendor will conduct their intake, provide a cost estimate for work to be performed including any deliverable timeframe. Upon receiving the estimate, the Office of Child Support will determine whether to approve the work to be done. All such services will be documented and confirmed in writing, and are subject to the terms and conditions of, this SOW.

In some instances, a request will include the vendor to assist with Lean Process Improvement (LPI) or Business Process Reengineering (BPR) activities. These activities should align with and support the HCD activities of a project. In addition, the state may conduct LPI or BPR activities on a project internally and it will be expected that the vendor will support using this information and align with the HCD activities.

The Contractor team will support a wide range of projects, including classic HCD work, training, adoption, product portfolio strategy, business process reengineering, service design, supporting development teams with tactical UX design, and other types of HCD-adjacent work.

Contractor will bring in the correct team to address any of these challenges using the pod team approach, which will provide flexibility to bring the right skills for each project.

5. Staffing

5.1. Key Personnel

The Contractor must appoint individuals who will be directly responsible for the day-to-day operations of this SOW ("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 Contractor must appoint an individual who will be responsible for day-to-day operations. Additionally, a Senior HCD Lead must be assigned to develop a deep understanding of the stakeholders and people involved in the Child Support Program to ensure alignment across projects.

Additional key personnel may include the following depending on project deliverables.

Examples:

- HCD Strategist/Designer
- HCD Associate Consultant
- Design Lead

| 1. Name | 2. Years of Experience in Current Classificati on | 3. Role(s) / Responsibilities | 4. Direct / Subcontr act/ Contract | 5. % of Work Time | 6. Physical Location |
|------------------------------------|--|---|--|----------------------------|----------------------------|
| Cathy Shim Account Executive | 2.5 at Slalom 10 Total | Key personnel position: responsible for the day-to-day operations of the contract. Leads Slalom's overall relationship with the State of Michigan and serves as the main point of contact for the HCD Prequalification program. Cathy will work in close partnership with the HCD and Transformation Lead to provide | Direct / FT | Part Time | Detroit, Michigan |

| 1. Name | 2. Years of Experience in Current Classificati on | 3. Role(s) / Responsibilities | 4. Direct / Subcontr act/ Contract | 5. % of Work Time | 6. Physical Location |
|----------------------------------|--|---|--|---|----------------------------|
| | | oversight and continuity across DTMB and Slalom to ensure successful business outcomes. | | | |
| Joshua Ribolla HCD Lead | 1.5 at Slalom 2.5 total | Key personnel position: Senior HCD Lead Responsible for structuring, planning, and leading HCD activities as well as driving consistency and quality across HCD projects. Josh will develop a deep understanding of the stakeholders and people involved in the Child Support Program to ensure alignment across projects. | Direct / FT | Part Time Dependi ng on demand | Detroit, Michigan |
| Jill Kieपुरa Transformation Lead | .5 at Slalom 8 total | Key personnel position: Transformation Lead Responsible for shaping the strategy and supporting the Organizational Effectiveness team on activities related | Direct / FT | Part Time | Detroit, Michigan |

| 1. Name | 2. Years of Experience in Current Classificati on | 3. Role(s) / Responsibilities | 4. Direct / Subcontr act/ Contract | 5. % of Work Time | 6. Physical Location |
|------------|--|---|--|----------------------------|----------------------------|
| | | to the HCD cultural transformation, training, and communications. | | | |

5.2. Contractor Personnel and Requirements

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.

See Appendix B for required fingerprinting and background checks for any staff who will perform services.

5.3. Disclosure of Subcontractors

The Contractor will not use subcontractors without the expressed written agreement from the State.

6. Agency Specific Standards

It is generally assumed that Contractor will not require access to Federal Tax Information (FTI) in order to perform the Services contemplated herein; however because the child support system contains Federal Tax Information (FTI), to the extent Contractor requires access to the child support system and FTI, the Contractor shall comply with all application security requirements outlined in IRS Publication 1075 including, but not limited to, the requirements detailed in the Safeguarding Contract Language in Appendix B below. Appendix B identifies required fingerprinting and background checks for any staff who will perform services that require access to FTI. See the following links for further information:

- <https://www.irs.gov/pub/irs-pdf/p1075.pdf>
- [Safeguards Program | Internal Revenue Service \(irs.gov\)](#)

In addition, the Contractor staff directly accessing the solution and FTI will be required to complete annual OCS and Michigan Department of Treasury security certification and annual security training requirements. Contractors will be required to comply with the Federal Office of Child Support Enforcement Security Agreement requirements and the Michigan IV-D Child Support security policy.

The Contractor accepts and will adhere to Agency Specific standards as outlined in this Section . The State will clearly identify in advance to Contractor whether any of the contemplated services require Contractor to access FTI and will (i) provide assistance in facilitating the necessary background checks and fingerprinting and (ii) provide Contractor with State-issued laptops that meet the security requirements for handling FTI. .

7. Pricing

7.1. Price Term

The State is contracting for capacity-based pricing for this Statement of Work for 3 years from 01-03-2023 until 12-31-2025, with up to (1) - one-year renewal option. the contract value for CN 4 is **\$5,460,596.00** The goal of this Statement of Work is to establish a partner to the Office of Child Support and capacity-based pricing will be based off an estimate of work on a yearly basis up to the capacity amount to support the work outlined in this SOW. Mutual written agreement must be obtained between the Contractor and State before work begins under the project workstream Invoicing will be on actual hours worked.

7.2. Rates

The Contractor will bill the State using a fixed capacity pricing model, billed monthly.

The State will be billed for the **Foundation Project** at the price described below, which would serve as the beginning phase. The Foundation Workstream is expected to last 8 weeks.

This would be followed by **the Project Workstream**.

As projects are brought to the Contractor through the **Project Workstream**, each pod will be priced on a capacity basis and agreed upon by both parties as described in the SOW. Capacity pricing for the pods will vary depending on the individual project needs.

Fees for the Services for the **Foundation Project** described in this SOW shall be determined as follows:

Chart 1: Foundation Project Cost

| | |
|--|--|
| Project Type: | <input checked="" type="checkbox"/> Capacity-Based |
| Estimated Fees for Services (8 weeks) | \$352,872.00 |
| Total Slalom Investment – Discount to State | \$27,616.00 |
| Invoicing | \$162,628.00/Month |
| Total Cost | \$325,256.00 |

Fees for the Services for the **Project Workstream** described in this SOW shall be determined based on individual project needs. The Contractor will provide specific pricing upon request based on and consistent with the Human Centered Design (HCD) Services - Prequalification Program agreement (Contract #210000001422).

The Contractor intends to staff OCS projects with Michigan-based consultants, working primarily from home or their Detroit office. The Contractor will occasionally pull team members in from other US-based Slalom offices to fill gaps in availability or supply specialized expertise; however, most, or all of the team will be Michigan residents. For this SOW the State will not allow, and Contractor agrees that no offshore resources will be used for any services provided.

Team members will be available on-site for key presentations and activities, as long as such work complies both with Slalom's COVID protocols and the protocols in place at OCS. For this reason, the Contractor is not providing different rates for off-site and on-site work.

Chart 4: Rate Card for Supplemental Roles not in Master Agreement

| Position Type | Not-to-Exceed Hourly Rate (\$) |
|--|---------------------------------------|
| UX Lead Strategist | \$215 |
| UX Strategist | \$195 |
| Organizational Effectiveness Lead Consultant | \$215 |

| | |
|---|-------|
| Organizational Effectiveness Consultant | \$195 |
| Delivery Lead | \$225 |
| Engagement Lead | \$270 |
| Subject Matter Expert (SME) | \$240 |
| Account Executive | \$285 |

6.3 Payment

DTMB will pay the Vendor upon receipt of properly completed invoices which shall be submitted to the billing address on the State issues purchase order not more often than monthly. All invoices should reflect actual work completed by payment date and must be approved by the Agency and DTMB Project Manager prior to payment. DTMB will coordinate obtaining approvals.

The invoices shall document to the State's satisfaction work completed. The format of the invoice shall be agreed upon during contract execution of work.

Payment shall be considered timely if made by the DTMB within 45 days after receipt of properly completed invoices.

Please note that the invoice shall be sent to dtmb-accounts-payable@michigan.gov

Travel and Expenses

The State does not pay for overtime, holidays, or travel expenses.

Appendix A



Michigan Child Support Program 2021-2024 Strategic Plan

Our Vision: Engaging parents to improve children's lives

Our Purpose: To achieve families' well-being and self-sufficiency. We will do this through a family-centered, holistic approach that:

- Promotes healthy relationships between parents and children
- Empowers parents to fulfill their financial obligations to their children
- Recognizes and respects the diversity of cultures we serve and makes equity and inclusion the norm

Our Operating Principles

| | |
|----------------|--|
| Purpose | Though we come from many offices and organizational units, we are one program. We do the right things to improve the well-being of the individual children and families that come to us. We respect and embrace their diversity, are inclusive in our practices, and pursue equitable outcomes for all. We rely on families to tell us what they need from us, and then choose with us the path that is right for them within our constraints. We rely on measures of family well-being, engagement, and operational measures of performance to track and improve our work. |
| Accountability | We are accountable to the children and families who come to us for the quality and effectiveness of our work, and we are accountable to federal, state, and local authorities for assuring our work conforms to the public's expectations as embodied in law and regulation. We work to align laws and regulations so that they enhance, not inhibit, the well-being of families. We are accountable to one another across the program for commitment to our mission. |
| Incentives | We deliver results that matter to the children and the families that come to us. We recognize and celebrate families for the results they achieve. We seek direct feedback on the quality and effectiveness of our work in order to improve. We are also acknowledged for achieving the expectations of the public as embodied in law and regulation. We seek feedback from one another as well as our stakeholders on whether we're meeting their expectations. We give each other the freedom, tools, and support to serve families and the public effectively. |
| Control | We are not flexible on our goals - improving the well-being of the children and families that come to us. We are flexible on the means by which we achieve those goals in order to best meet the needs and circumstances of each family within our constraints. We delegate decision-making opportunities to families and those who directly serve them within our constraints - doing so puts them in the best position to be directly accountable to one another for achieving their desired results. We encourage and support voluntary compliance. |
| Culture | We put the well-being of children and families first. We believe that parents and program staff want to do the right thing. We will support parents to obtain the knowledge and resources to successfully do so. If parents are not supporting their child(ren), we will use our enforcement remedies as needed. We encourage flexibility and innovation to continuously find better ways to achieve our common aspiration - the well-being of children and families. We are one program built on trust, open communication, and a shared commitment to improve the well-being of the children and families that come to us. |

FUTURE NEWS

Special Edition Tuesday, October 1, 2024 www.futurenews.com




2024: Families are winning

The Michigan Child Support Program is changing lives by helping families thrive and providing opportunities for children to succeed. The program, recently reported to be the best in the country, has succeeded in alleviating poverty for children - especially in brown and black families. As roadblocks have been removed, parents feel it's a 'program for moms and dads' and involvement in the program is now 100% voluntary. The Michigan Child Support Program, a paragon of government's role in our lives, has proven to be a true lifeline for helping parents and children prosper.



Michigan Child Support Program 2021-2024 Strategic Plan

Our Strategies and Initial Tools

| Strategic Goal Areas | Strategies |
|--|--|
| Child Support Processes  <p>Use data and families' experiences to evaluate practices and use resources where they provide the most effective and efficient family-centered services.</p> | <ul style="list-style-type: none"> • Determine how the current practices create positive or negative results, and eliminate barriers to positive results for families. • Align business processes with the program's vision and eliminate bad handoffs between partners. • Align multiple, separate missions of program partners to support the overall vision and purpose of the program. • Gather and disseminate feedback from all stakeholders that is direct and immediate. |
| Customer Experience  <p>Design human-centered strategies, initiatives, services, and technology; give our customers a voice as they interact with our program to ensure they understand the processes and know they have been heard.</p> | <ul style="list-style-type: none"> • Understand how the program affects families economically and socially. • Require and monitor customer service training as part of contract performance. • Implement program-wide "no wrong door" practices. • Gain insight into our customers' needs, wants, goals, frustrations, and feelings they experience, as they interact with our program. • Design customer interactions that support compliance and encourage positive participation. |
| Education and Outreach  <p>Allocate resources to improve program-wide success tied to turnover, knowledge base, communication, motivation, and leadership of child support professionals.</p> | <ul style="list-style-type: none"> • Expand help desk services. • Create trainings with employee experiences and needs in mind and expand digital knowledge base resources. • Develop accessible, timely, and cost-effective training. • Collaborate among partners to identify and deliver professional development opportunities that give opportunities for program staff to advance and grow professionally. • Align individual and program performance goals. |
| Data Tools and Technology  <p>Use technology and data tools to improve child support services.</p> | <ul style="list-style-type: none"> • Ensure staff have the data tools and information necessary to be successful. • Increase our ability to manage and analyze data from internal and external sources. • Improve access to data and information through self-service reports and data visualizations. • Use technology advances to improve existing business processes and discover new ways to conduct business. • Adopt a modernization approach that supports existing business processes and ensures no interruption in service to families. |

APPENDIX B

Exhibit 7 Safeguarding Contract Language

I. PERFORMANCE

In performance of this contract, the Contractor agrees to comply with and assume responsibility for compliance by officers or employees with the following requirements:

- (1) All work will be performed under the supervision of the contractor.
- (2) The contractor and contractor's officers or employees to be authorized access to FTI must meet background check requirements defined in IRS Publication 1075. The contractor will maintain a list of officers or employees authorized access to FTI. Such list will be provided to the agency and, upon request, to the IRS.
- (3) FTI in hardcopy or electronic format shall be used only for the purpose of carrying out the provisions of this contract. FTI in any format shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection or disclosure of FTI to anyone other than the contractor or the contractor's officers or employees authorized is prohibited.
- (4) FTI will be accounted for upon receipt and properly stored before, during, and after processing. In addition, any related output and products require the same level of protection as required for the source material.
- (5) The contractor will certify that FTI processed during the performance of this contract will be completely purged from all physical and electronic data storage with no output to be retained by the contractor at the time the work is completed. If immediate purging of physical and electronic data storage is not possible, the contractor will certify that any FTI in physical or electronic storage will remain safeguarded to prevent unauthorized disclosures.
- (6) Any spoilage or any intermediate hard copy printout that may result during the processing of FTI will be given to the agency. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts and will provide the agency with a statement containing the date of destruction, description of material destroyed, and the destruction method.
- (7) All computer systems receiving, processing, storing, or transmitting FTI must meet the requirements in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must

provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to FTI.

- (8) No work involving FTI furnished under this contract will be subcontracted without the prior written approval of the IRS.
- (9) Contractor will ensure that the terms of FTI safeguards described herein are included, without modification, in any approved subcontract for work involving FTI.
- (10) To the extent the terms, provisions, duties, requirements, and obligations of this contract apply to performing services with FTI, the contractor assume toward the subcontractor all obligations, duties and responsibilities that the agency under this contract assumes toward the contractor, and the subcontractor shall assume toward the contractor all the same obligations, duties and responsibilities which the contractor assumes toward the agency under this contract.
- (11) In addition to the subcontractor's obligations and duties under an approved subcontract, the terms and conditions of this contract apply to the subcontractor, and the subcontractor is bound and obligated to the contractor hereunder by the same terms and conditions by which the contractor is bound and obligated to the agency under this contract.
- (12) For purposes of this contract, the term "contractor" includes any officer or employee of the contractor with access to or who uses FTI, and the term "subcontractor" includes any officer or employee of the subcontractor with access to or who uses FTI.
- (13) The agency will have the right to void the contract if the contractor fails to meet the terms of FTI safeguards described herein.

II. CRIMINAL/CIVIL SANCTIONS

- (1) Each officer or employee of a contractor to whom FTI is or may be disclosed shall be notified in writing that FTI disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any FTI for a purpose not authorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution.
- (2) Each officer or employee of a contractor to whom FTI is or may be accessible shall be notified in writing that FTI accessible to such officer or employee may be accessed only for a purpose and to the extent authorized herein, and that access/inspection of FTI without an official need-to-know for a purpose not authorized herein constitutes a criminal misdemeanor punishable upon

conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution.

- (3) Each officer or employee of a contractor to whom FTI is or may be disclosed shall be notified in writing that any such unauthorized access, inspection or disclosure of FTI may also result in an award of civil damages against the officer or employee in an amount equal to the sum of the greater of \$1,000 for each unauthorized access, inspection, or disclosure, or the sum of actual damages sustained as a result of such unauthorized access, inspection, or disclosure, plus in the case of a willful unauthorized access, inspection, or disclosure or an unauthorized access/inspection or disclosure which is the result of gross negligence, punitive damages, plus the cost of the action. These penalties are prescribed by IRC sections 7213, 7213A and 7431 and set forth at 26 CFR 301.6103(n)-1.
- (3) Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.
- (4) Granting a contractor access to FTI must be preceded by certifying that each officer or employee understands the agency's security policy and procedures for safeguarding FTI. A contractor and each officer or employee must maintain their authorization to access FTI through annual recertification of their understanding of the agency's security policy and procedures for safeguarding FTI. The initial certification and recertifications must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, a contractor and each officer or employee must be advised of the provisions of IRC sections 7213, 7213A, and 7431 (see Exhibit 4, Sanctions for Unauthorized Disclosure, and Exhibit 5, Civil Damages for Unauthorized Disclosure). The training on the agency's security policy and procedures provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For the initial certification and the annual recertifications, the contractor and each officer or employee must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements. 203

II. INSPECTION

The IRS and the Agency, with 24 hour notice, shall have the right to send its inspectors into the offices and plants of the contractor to inspect facilities and operations performing any work with FTI under this contract for compliance with requirements defined in IRS Publication 1075. The IRS' right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology (IT) assets that access, store, process or transmit FTI. Based on the inspection, corrective actions may be required in cases where the contractor is found to be noncompliant with FTI safeguard requirements.

APPENDIX C – EXAMPLE PROJECT LIST

Projects

Below are examples of projects that OCS may request Contractor to provide under this SOW. Projects are intended to allow for solutions to be designed to better serve child support participant users as well as child support professional users. Projects are also intended to serve as a forum for training key stakeholders to build competency and experience in HCD research, interview methods, process/service designs for child support workflows, and prototypes for legislative proposals. For the avoidance of doubt, project scope and details that Contractor is expected to provide under this SOW will be documented in a mutually executed Work Order under this SOW.

a) Genetic Parentage Act (GPA)

OCS is required to establish paternity for children born to unwed mothers. Approximately 46,500 children are born in Michigan to unwed parents, and all of them need legal paternity established. The Genetic Parentage Act (GPA, MCL 722.1461 et seq.) was signed in December 2014 and allows establishment of paternity through an administrative process and voluntary genetic testing. Operationalizing the GPA will assist families by establishing the right father more quickly in a non-adversarial manner, allowing fathers and mothers to cooperatively work towards financial and emotional support of their children.

b) Driver's License Suspension Legislative Change

Child support has a series of enforcement tools to compel non-custodial parents (NCPs) to pay current child support and arrears. Suspending an NCP's driver's license is currently an enforcement tool used by some Friend of the Court (FOC) offices. The Office of Child Support (OCS) and its partners are considering endorsing legislation that would establish a more equitable process for suspension and one that is more likely to prompt compliance. The process would involve a slowly progressing series of notices and penalties. It also decreases obstacles for, and expands options for, the payer's response. The program wishes to encourage the payer to engage/collaborate with the FOC to avoid full suspension.

c) Denial of Paternity

The presumption of parentage, often referred to as the presumption of marriage, the presumption of paternity or the marital presumption, is a common law legal premise embedded in several Michigan statutes.¹ These statutes require the recognition of the mother's legal spouse (if she was married at any time from the time of

conception to the date of the child's birth), as the legal parent of the child regardless of biology, genetic association or developed emotional attachments. As a result of this presumption, the Division of Vital Records and Health Statistics (VRHS) requires the mother's spouse, at the time of conception or birth, to be recorded as the child's legal parent on the child's birth certificate.²

There are increasing situations in which the mother refuses to list the spouse as the child's other parent due to her knowledge of another man being the child's correct parent. This results in an incomplete birth record.

Currently the only remedy available to participants in this situation is judicial. The participant must file a motion asking the court to determine the correct legal father. This judicial process can be costly.

The child support program is currently working on revising legislation to establish an administrative process for presumed legal parents and birth mothers to deny the presumed parentage soon after a child's birth and to allow a biological father to acknowledge paternity.

d) Domestic Violence Process

The safe and equitable treatment of child support program participants that disclose domestic violence or safety concerns to child support professionals is a top priority for the program. The OCS Diversity, Equity, and Inclusion (OCS-DEI) workgroup has identified several missed opportunities to provide critical resources that enhance the safety and well-being of families. In addition, participants receiving public assistance on behalf of children deserve a process that is accessible, understandable, equitable, and predictable. Protecting the safety of families through granting "good cause" for not cooperating with the child support program is currently the responsibility of the public assistance program and/or eligibility specialists and is not the responsibility of the child support program. However, to ensure participant-users have a seamless opportunity to claim good cause at any point in their engagement with the assistance programs and the child support program, child support professionals must share the responsibility to investigate and grant, if appropriate, good cause claims.

e) MiChildSupport Portal User Engagement

MiChildSupport allows child support participants access to the following web applications and features:

The MiChildSupport website

The Online IV-D Child Support Services Application/Referral (e1201)

The Online Child Support Response form (e842)

The MiChildSupport Calculator

The Child Support Verification Tool (CSVT)

Participants can access the MiChildSupport website using a personal computer or mobile device. There are approximately 179,000 MiChildSupport accounts as of December 2021.

OCS would like to increase engagement with child support participants and include their input to ensure the MiChildSupport Portal is meeting their needs.

The visits to the MiChildSupport Portal decreased sharply from approximately 850,000 visits in January 2021 to a little more than 350,000 visits in February 2021. The total visits per month have continued to decline over the past year and averaged less than 300,000 visits in the last six months of 2021. OCS is looking for assistance in understanding why the site usage has decreased as well as identify options for increasing the usefulness of the site.

f) Personal Information Update

Child Support participants currently can submit a Change in Personal Information form (FOC108/FEN350) to update their information (e.g. address, phone number – see attached forms for details) with the Child Support Program. These forms are currently static forms and OCS would like to provide Child Support participants with a self-service option to update their information in MiChildSupport.

Current planned upgrades will also create the infrastructure to provide the updated demographic information to MiCSES; create worker alerts to inform MiCSES users of when an update has been received and the content of the update while also identifying the source of the incoming data; and lastly, create a customer communication notification indicating that the update was received and completed.

g) mi-support Refresh

Mi-support is the name of the child support intranet. Its primary function is to provide a central location to disseminate information and access to policies and procedures used by child support staff. Mi-support users have provided feedback indicating information is difficult to locate on mi-support. The information architecture behind mi-support has not been reviewed since 2003. The site has expanded to include new information that was never imagined in the original content strategy. Additionally, as new information has been added, unused content has often not been removed. This bulk of content has resulted in a confusing organization and an increase in maintenance hours.

Note: mi-support will be migrated from an on-premises SharePoint 2016 platform to the SharePoint 365 platform.

h) Stand in the shoes of our partners and those we serve

As part of aligning to our strategic operating principles, OCS would like to create an experience for child support staff statewide to better understand the experiences of those who work in the program as well as program participants. This is challenging

due to the nature of county-based operations. Teams have already begun reviewing personas and customer journey maps. The goal is that child support staff will gain an appreciation for process improvements, opportunities to enhance the service experience, and an understanding of how their work fits in with the overall program or service.

APPENDIX D – CONTRACTOR’S PROJECT APPROACH FOR EXAMPLE PROJECTS

The 8 example projects fell into four broad categories, including Product Strategy, Classic User Experience (UX), Service Design, and Behavioral Design projects. Below the Contractor outlines the approach to each of the 8 examples, based on previous public sector experience as well as conversations with child support leaders and stakeholders from across the country. While these are representative of the Contractor’s approach, these are generalized plans based on the brief descriptions in **Appendix C - Example Project List** and would be refined as the Contractor learns more about a given project.

| a) Genetic Parentage Act (GPA) | |
|---------------------------------------|---|
| Type | Product |
| Goals | <ul style="list-style-type: none"> • Increase the speed at which families can establish paternity for children • Measure efficacy of operationalizing the GPA while reducing risk and cost of implementation of wide-scale system change • Recommendations on a holistic implementation strategy based on a pilot build and user testing |
| Activities | <ul style="list-style-type: none"> • Comparative research on existing operationalized systems that establish genetic parentage, through the lens of public organizations. • Contextual interviews and ethnography to gain a deeper understanding of how operationalizing GPA will alleviate pain points for families. • Establish a communications strategy to convey the value of operationalization to families and key stakeholders including “what’s in it for me” (WIIFM). • Visioning Workshop to settle on a shared vision of the solution: what problems it is solving, for whom, how it is solving them, and why this should be a priority. • Create a value proposition canvas to ensure that the voluntary genetic testing option is providing clear value to the families. • Develop a low-fidelity prototype for the pilot test. • Establish metrics to help measure efficacy of voluntary genetic testing option for families. • Conduct user testing and incorporate feedback into iteration loops to improve utilization of voluntary genetic testing option. |

| b) Driver's License Suspension Legislative Change | |
|--|---|
| Type | Behavioral |
| Goals | <ul style="list-style-type: none"> • Drive understanding of the likely impact of driver's license suspension policy changes • Create a consistent approach to license suspensions for non-custodial parents across the state • Create more and more accessible opportunities to avoid suspension • Drive toward the goal of improved financial support for the children of Michigan |
| Activities | <ul style="list-style-type: none"> • Key audiences include - non-custodial parents with payment challenges, FOC and partner staff that support them. • Conduct interviews if necessary to create personas and journey maps for key audience segment. • Map the opportunities for improved approaches to suspension. • Create Decision-making framework to address intention / action gap. • Create a hypothesis regarding License Suspension policy results. • Create a research process to evaluate hypothesis. • Conduct an ethical impact assessment to fully explore the moral implications of different approaches. • Devise communications strategy experiments to identify the approach most likely to result in a desirable outcome. • Present an evidence-based recommendation for supporting or opposing the proposed legislation. |

| c) Denial of Paternity | |
|------------------------|--|
| Type | Behavioral |
| Goals | <ul style="list-style-type: none"> • Determine the current challenges and pitfalls that prevent accurate recording of parentage. • Evaluate the proposed administrative process to ensure that the problems are being addressed. • Move the OCS toward the ultimate goal of more accurately recording the correct parents for every child born in the state. |
| Activities | <ul style="list-style-type: none"> • Key audiences include: mothers for whom the presumption of paternity is not accurate, as well as OCS and partner staff that support them. • Conduct a visioning exercise to understand and communicate the impact we are hoping to achieve. • Conduct interviews if necessary to understand the needs and challenges present in this specific situation and the processes that support it. • Conduct comparative research to understand what approaches are taken in other states, and the relative success of those measures. • Design and conduct evaluative research to determine if the proposed solution is a good fit for the issues observed. • Identify impacted parties and level of impact to execute the proposed solution. • Create a high-level communications strategy to complement the proposed administrative process, maximizing chances of success. |

| d) Domestic Violence Process | |
|------------------------------|---|
| Type | Service Design |
| Goals | <ul style="list-style-type: none"> • Increase the number and frequency of opportunities for participant-users to claim good cause throughout their engagement • Increased involvement from Child Support professions in identifying Good Cause cases and facilitating the process • Fewer missed opportunities to provide well-being and safety-enhancing resources to families in need • More individuals who demonstrate Good Cause can take advantage of the program to claim it • Backlog of concrete recommendations for improvement, prioritized according to their potential impact |
| Activities | <ul style="list-style-type: none"> • Conduct research and interviews to create personas and journey maps for key audience segments, possibly including custodial parents with safety concerns, OCS and partner staff that support them. • Map the business processes currently involved in the OCS Good Cause programs. • Create a holistic visualization of the business processes, participant actions, and OCS employee actions through a service blueprint. • Identify and prioritize opportunities to improve existing processes based on stakeholder feedback and impact to our desired outcomes. • Develop implementation plans / roadmaps / backlogs for potential solutions that address those opportunities. • Potentially prototype selected high-priority, high-value improvement concepts. |

| e) MiChildSupport Portal User Engagement | |
|--|--|
| Type | User Experience |
| Goals | <ul style="list-style-type: none"> • Uncover why there has been a profound reduction of visitors to the MiChildSupport Portal • Understand user needs and unmet needs when visiting the MiChildSupport Portal • Learn what additional features might be most helpful to users • Build a plan for continuous feedback from website visitors |
| Activities | <ul style="list-style-type: none"> • An Artifact Review to examine any documentation, analytics, customer feedback or other sources of historic and current information about MiChildSupport. • Stakeholder Interviews to understand the vision for MiChildSupport from an organizational point of view and to tap into rich wells of historic expertise. • Search Engine Optimization (SEO) Analysis and Strategy. We have learned how much users leverage Google as well as Michigan.gov to find resources and an SEO Analysis and Strategy would help build a customer-centric experience. • Collaboratively create or modify inclusive Personas to build shared empathy for users, inform decisions, and use as a tool for Journey and Empathy Maps. • Collaboratively create Journey & Empathy Maps to define the customer journey (getting to MiChildSupport and interacting with it once there). • User Interviews with real (and diverse) users of MiChildSupport to validate Personas and Maps and uncover insights about their experience with MiChildSupport. • Develop a Product Analytics Strategy for MiChildSupport to adopt an enterprise product analytics tool that may allow for user insights as well as help guides (for new users) as well as product engagement surveys. • Build a Product Backlog as we learn what features, updates, and support would benefit users. |

| e) MiChildSupport Portal User Engagement | |
|--|--|
| | <ul style="list-style-type: none">• Develop a high-fidelity prototype to reflect suggested updates.• Conduct User Interviews or Usability Testing with the Prototype.• Creation of a final Product Backlog with impact (based on User Research) and level of effort defined. |

| f) Personal Information Update | |
|--------------------------------|--|
| Type | User Experience |
| Goals | <ul style="list-style-type: none"> • Create a self-service Change in Personal Information online experience that is intuitive and usable • Define a plan for how to track and measure the success of the new Change in Personal Information Tool • Effectively plan how to communicate this new feature to child support participants |
| Activities | <ul style="list-style-type: none"> • Start with an Artifact Review to gather all relevant documents and data around Change in Personal Information • Conduct Stakeholder Interviews to learn from experts how the new process can help them achieve their goals or what stumbling blocks they may anticipate • Collaboratively create or modify inclusive Personas to build shared empathy for users, inform decisions, and use as a tool for Journey and Empathy Maps • Collaboratively create Journey & Empathy Maps to define the customer journey (getting to MiChildSupport and interacting with it once there) • Collaboratively complete a Service Blueprint that will detail both the front and back-end system and people interactions that need to be defined for this process to go online. • Create a Sitemap, Taxonomy and Content Inventory to structure the details of the new interface • Create a clickable prototype of the new experience for use in Usability Testing • Usability Testing with both behavioral and interview components to evaluate the prototype • Update Prototype based on learnings • Creation of a final Product Backlog with impact (based on User Research) and level of effort defined |

| | |
|--|---|
| | <ul style="list-style-type: none"> • Collaboratively create a Metrics Plan for measuring the effectiveness of the new tool. This could be part of a broader Product Analytics solution • Create a communications strategy for where and how this new tool should be messaged to users |
|--|---|

| g) mi-support Refresh | |
|------------------------------|---|
| Type | User Experience |
| Goals | <ul style="list-style-type: none"> • Improve efficiency and workflows for child support staff by providing access to key information quickly and easily. • Improve accuracy and relevancy of information hosted on platform, and in turn reduce complexity of information architecture. • Reduce the costs and time associated with site maintenance. • Providing child support staff with a clear path to obtaining information in a way that will help them best support children and families. |
| Activities | <ul style="list-style-type: none"> • Creation of sitemaps to understand current information architecture. • Usability testing to understand how users interact with the current Mi-support site and unearth pain points associated with gaining access to information. • User interviews to gain insight into how the pain points associated with the current Mi-support site translate to downstream effects within OCS and its work with children and families. • Creation of a content strategy roadmap co-created with child support staff with desired content for the future. • Card sorting exercise to help design and provide recommendations for improvements to the new site information architecture. • Comparison of current state and future state information architecture to assess improvements. |

| h) Stand in the shoes of our partners and those we serve | |
|--|---|
| Type | Service |
| Goals | <ul style="list-style-type: none"> • Build a shared understanding of the end-to-end Child Support experience that reflects the perspectives of both the parent perspective and OCS staff. • Internal alignment among OCS stakeholders around opportunity areas in the Child Support experience • Increased empathy and understanding for both OCS Staff experience and the program participant experience. • Improved consistency and quality of service across counties, with an emphasis on wider adoption of best practices from one County to another • Prioritized backlog of recommended improvements |
| Activities | <ul style="list-style-type: none"> • Interview OCS stakeholders and staff to understand the process from their perspective. Potentially segment based on County if differences are significant. • Interview parents who are currently engaging with the process to understand the process from their perspective. Potentially segment based on County if differences are significant. • Create business process diagrams to represent the internal OCS processes • Create Journey Maps to reflect program participant (parent) experiences • Bring together the parent journeys, OCS Staff journeys, and associated business processes in a cohesive service blueprint for the end-to-end Child Support experience. • Capture County-based similarities and differences in a way that is easy to track and visualize • Using the end-to-end blueprint as a frame of reference, identify and prioritize opportunities to improve existing processes based on stakeholder feedback and impact to our desired outcomes • Develop implementation plans / roadmaps / backlogs for potential solutions that address those opportunities |

| h) Stand in the shoes of our partners and those we serve | |
|--|---|
| | <ul style="list-style-type: none"> • Identify best practices across the Counties sampled, and recommend an approach to standardizing those across Counties • If possible, enhance the service blueprint with an experience narrative synthesized from photos and stories of OCS Staff and parents/families that have been through the process • Include readout/debrief/reflection sessions to allow those who have participated in the process (e.g. through interviews, providing photos or stories, sharing or reviewing materials) to review the blueprint and associated findings, and process their learnings and feelings about it as a group. Consider including cross-functional groups such as OCS Staff and Parents in these reflection sessions. |

APPENDIX E – EXAMPLE PROJECT COST

The Contractor will propose a project team and corresponding project cost in a similar or mutually agreed upon format as outlined in each section below. The Contractor will include the deliverables, project team, and associated costs in the proposal. Contractor will begin work on the proposal after it has been approved in writing.

Examples:

- Driver's License Suspension Legislative Change
- Personal Information Update
- mi-support Refresh

| Driver's License Suspension Legislative Change | |
|---|---|
| Cost | \$585,425 |
| Duration | 16 weeks |
| Team | |
| | UX Lead Strategist (Full Time) |
| | Organizational Effectiveness Consultant (Full Time) |
| | Delivery Lead (Full Time) |
| | Engagement Lead (Part Time) |
| | Organizational Effectiveness Lead Consultant (Part Time) |
| | Account Executive (Part Time) |
| Proposed Activities | |
| | Artifact review / level setting |
| | Key audiences include non-custodial parents with payment challenges, FOC and partner staff that support them. |
| | Stakeholder interviews |

| | |
|--|---|
| | Conduct interviews if necessary to create personas and journey maps for key audience segment. |
| | Map the opportunities for improved approaches to suspension. |
| | Create Decision-making framework to address intention / action gap. |
| | Create a hypothesis regarding License Suspension policy results. |
| | Create a research process to evaluate hypothesis. (Report-out) |
| | Conduct an ethical impact assessment to fully explore the moral implications of different approaches. |
| | Devise communications strategy experiments to identify the approach most likely to result in a desirable outcome. |
| | Present an evidence-based recommendation for supporting or opposing the proposed legislation. |
| | Final deliverable - strategic document - presentation and sharing |

| Personal Information Update | |
|-----------------------------|---|
| Cost | \$642,466.67 |
| Duration | 16 weeks |
| Team | |
| | UX Lead Strategist (Full Time) |
| | UX Strategist (Full Time) |
| | UX Strategist (Part Time – focused on design) |
| | Delivery Lead (Full Time) |

| | |
|---------------------|---|
| | Engagement Lead (Part Time) |
| | Organizational Effectiveness Lead Consultant (Part Time) |
| | Account Executive (Part Time) |
| Proposed Activities | |
| | Start with an Artifact Review to gather all relevant documents and data around Change in Personal Information |
| | Conduct Stakeholder Interviews to learn from experts how the new process can help them achieve their goals or what stumbling blocks they may anticipate |
| | Collaboratively create or modify inclusive Personas to build shared empathy for users, inform decisions, and use as a tool for Journey and Empathy Maps |
| | Collaboratively create Journey & Empathy Maps to define the customer journey (getting to MiChildSupport and interacting with it once there) |
| | Collaboratively complete a Service Blueprint that will detail both the front and back-end system and people interactions that need to be defined for this process to go online. |
| | Create a Sitemap, Taxonomy and Content Inventory to structure the details of the new interface |
| | Create a clickable prototype of the new experience for use in Usability Testing |
| | Usability Testing with both behavioral and interview components to evaluate the prototype |
| | Update Prototype based on learnings |
| | Creation of a final Product Backlog with impact (based on User Research) and level of effort defined |
| | Collaboratively create a Metrics Plan for measuring the effectiveness of the new tool. This could be part of a broader Product Analytics solution |

| | |
|--|--|
| | Create a communications strategy for where and how this new tool should be messaged to users |
|--|--|

| | |
|---------------------------|--|
| mi-support Refresh | |
| Cost | \$570,706.67 |
| Duration | 16 weeks |
| Team | |
| | UX Lead Strategist (Full Time) |
| | UX Strategist (Full Time) |
| | Delivery Lead (Full Time) |
| | Engagement Lead (Part Time) |
| | Organizational Effectiveness Lead Consultant (Part Time) |
| | Account Executive (Part Time) |
| Proposed Activities | |
| | Artifact Review |
| | Creation of a content audit and an inventory plus taxonomy |
| | Creation of sitemaps to understand current information architecture. |
| | Usability testing to understand how users interact with the current Mi-support site and unearth pain points associated with gaining access to information. |
| | User interviews to gain insight into how the pain points associated with the current Mi-support site translate to downstream effects within OCS and its work with children and families. |
| | Creation of a content strategy roadmap co-created with child support staff with desired content for the future. |

| | |
|--|---|
| | Card sorting exercise to help design and provide recommendations for improvements to the new site information architecture. |
| | Comparison of current state and future state information architecture to assess improvements. |

Attachments:

[foc108.pmd \(michigan.gov\)](#)

[FEN350: Change in Personal Information \(michigan.gov\)](#)



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

CONTRACT CHANGE NOTICE

Change Notice Number **3**
 to
 Contract Number **210000001422**

| | |
|-------------------|-------------------------------|
| CONTRACTOR | Slalom, LLC |
| | 660 Woodward Ave., Suite 1975 |
| | Detroit, MI 48226 |
| | Cathy Shim |
| | 734-846-6575 |
| | cathy.shim@slalom.com |
| | VS0150962 |

| | | | |
|--------------|-------------------------------|-----------------------|------|
| STATE | Program Manager | Holly Grandy-Miller | DTMB |
| | | 517-243-8710 | |
| | | Millerh1@michigan.gov | |
| | Contract Administrator | Sean Regan | DTMB |
| | | (517) 243-8459 | |
| | | regans@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 - 1 Year | August 31, 2026 | |
| PAYMENT TERMS | | DELIVERY TIMEFRAME | | |
| | | | | |
| ALTERNATE PAYMENT OPTIONS | | | EXTENDED PURCHASING | |
| <input type="checkbox"/> P-Card | <input type="checkbox"/> PRC | <input type="checkbox"/> Other | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| MINIMUM DELIVERY REQUIREMENTS | | | | |
| | | | | |
| DESCRIPTION OF CHANGE NOTICE | | | | |
| OPTION | LENGTH OF OPTION | EXTENSION | LENGTH OF EXTENSION | REVISED EXP. DATE |
| <input type="checkbox"/> | | <input type="checkbox"/> | | August 31, 2026 |
| CURRENT VALUE | VALUE OF CHANGE NOTICE | ESTIMATED AGGREGATE CONTRACT VALUE | | |
| \$490,972.00 | \$598,507.00 | \$1,089,479.00 | | |
| DESCRIPTION | | | | |
| Effective September 15, 2022, the Michigan State Police are adding \$598,507.00 to the Contract for the CJIC Culture of Data Initiation project. | | | | |
| Funding for this Change Notice was previously approved on the 8/30/2022 Ad Board. | | | | |
| All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement and DTMB Central Procurement Services approval. | | | | |

CJIC Culture of Data Initiation Project SOW

Slalom Solution

9/15/2022

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1.1

Approach Overview

Five-Year Strategic Plan

(In response to Section 1.2: Work and Deliverables A)

We understand the value to be achieved in creating a **five-year strategic plan**, and we will utilize our proven methodology to support this development. As requested within the RFP, our delivery team will develop your five-year strategic plan with time to implement by the end of the calendar year, and we will address the following key requirements:

- i. Aid in the prioritization of identified division strategic goals.
- ii. Division policies in line with MSP goals.
- iii. Analyze biggest strategic, cultural, and operational issues facing the division.
- iv. Stakeholder and user analysis, resulting in defined user groups and an understanding of user needs.

Working with your leadership team, we will first define & prioritize key division strategic goals and select the appropriate targeted areas for deeper analysis through a series of Discovery conversations. In addition to these Discovery conversations with your leadership team, we will also conduct an employee self-assessment to determine the overall maturity across the five culture of data elements through the perspective of your team and key end users. Based on these responses and observations during stakeholder interviews, we will develop a data driven culture maturity snapshot. This snapshot will be used to understand current state maturity, and to help define actionable next steps to achieve your targeted maturity level. Collectively, these inputs will inform the creation of your Five-Year Strategic Plan to address strategic, cultural, and operational issues facing the division.

Data Collection and Dissemination

(In response to Section 1.2: Work and Deliverables B)

In addition to the development a five-year strategic plan, there is a critical need to create data governance related artifacts to improve your ability to **effectively collect and disseminate data**. We will address the following key requirements:

- i. Create a data dictionary and associated processes for its use and maintenance.
- ii. Standard operating procedures for handling data.
- iii. Create journey maps and document current-state process flow at a high level and identify areas of potential improvement.
- iv. Provide a list of initiatives to improve end-user experience and productivity (e.g., performance management practices, job aids).
- v. A central repository detailing user groups and their data needs.
- vi. Train staff on benefits, best practices, and above established processes for data collection and dissemination.

We understand that MSP is looking to make improvements to the data collection and dissemination processes. We will leverage several of the “Modern Culture of Data” analysis activities in our development of the key Data Collection & Dissemination deliverables. Starting with a current state evaluation we will observe current tools, processes, and technology in place today to govern data. The outcomes of this analysis will help us define current state journey maps depicting each step of an end users experience, and personas, descriptions of key stakeholders and their interests, behaviors and needs. Both the journey maps and personas will paint a picture of the pain points with existing ways of working, benefits to be gained with new processes and preferred learning and communications methods. These deliverables will allow us to define enhancements to current Standard Operating Procedures for handling data (and create new Standard Operating Procedures), as well as an end user data needs repository, documenting use cases for stakeholders or groups of stakeholders. Finally, a data dictionary will be defined with its associated processes for use and maintenance.

Change Management and Lean Coaching

(In response to Section 1.2: Work and Deliverables C)

We recognize that the outcome of this project is likely to generate a significant change in the ways of working for MSP CJIC staff. Accordingly, we have included within our approach outline specific activities to support change management. Additionally, we have included a full time Learning & Adoption Lead focused on **ensuring that successful change management practices** are implemented to enable adoption of new processes, procedures, and documentation. We will address the following key requirements:

- i. Conduct working sessions with select MSP front-line staff and managers to review workflow, job aids, and performance management practices.
- ii. Recommend talent development steps to transition current employees from rote skill work (e.g., data entry) to analytical skill work (e.g., data analysis).
- iii. Work with MSP to iteratively revise processes, job aids, and practices based on feedback.
- iv. Communication strategy focused on helping staff feel supported, prepared, and geared toward success.
- v. Pilot/rollout of new process flows, change management, work assignment, performance management practices, and performance metrics with selected team.
- vi. Document updated processes, job aids, practices for roll-out by MSP CJIC teams beyond pilot.

Our approach to change management and knowledge transfer go hand in hand. Throughout all of our interactions with MSP and DTMB/OCI previously, we’ve understood that you want training, mentorship, upskilling, and hands-on practice with your HCD partners. To this end, we would like to continue our learning partnership as well as provide ownership to the State on this project by offering continuous points of review and involvement throughout the entire engagement. During our Explore phase, we will define which individuals would like to be involved with each phase and what that will entail to best fit individual interests and availability. Activities are noted above and include workshop participation, interviews, self-assessments, deliverable reviews, and iterations.

To drive adoption of new processes and ways of working we've included time and scope to develop an effective communication and training strategy. Working with MSP we will define a pilot approach and up-skill CIJC employees on newly defined Data Collection & Dissemination processes. Using a human-centered and lean learning approach we will design training with empathy at the core and user needs as the focus. We want to focus on developing training more aligned to how people actually learn. This includes bite sized chunks of content, at the time the user needs it, where the user can easily access it. The result is personalized and targeted learning that focuses on the skills needed to bring about behavior changes.

Each of these steps will ensure MSP CIJC team has the right knowledge, skill and ability to achieve desired outcomes.

Training/Knowledge Transfer

(In response to Section 1.3: Training and Knowledge Transfer)

Through our defined approach, we will be proactive and intentional in identifying specific opportunities where state employees within OCI/HCD and MSP CIJC can participate to learn more about best practices for supporting data culture development through observation, participation, and de-briefing of key project activities. To enable greater support and coaching to the OCI/HCD team and MSP CIJC leadership team, we have included a Learning & Adoption Lead within our delivery team, as well as highly experienced engagement leadership team members as our Project Accountable Executive and Engagement Leader to provide coaching and mentorship throughout the course of the project to best arm your staff with the knowledge they'll need to achieve the desired outcomes of this project.

Approach Outline

The unique nature of this RFP requires a broad range of coordinated, parallel activities. Therefore, we propose to organize the work into four inter-related phases: 1. Explore, 2. Establish, 3. Enable, and 4. Empower.

Below is a table detailing each phase activities and deliverables.

| Phase | Key Activities | Deliverables |
|--|--|---|
| 1. Explore Timeframe: Weeks 1 - 4 | Five-Year Strategic Plan <ul style="list-style-type: none"> Kick off project Introduce "Modern Culture of Data" approach and activities Select stakeholder and end-user cohorts Distribute "Modern Culture of Data" self-assessment Conduct stakeholder interviews to gain an understanding of current capabilities and goals Request and review applicable MSP documentation | <ul style="list-style-type: none"> "Modern Culture of Data" self-assessment survey and interview guide Documentation of stakeholder interviews and analysis |

| Phase | Key Activities | Deliverables |
|---|---|---|
| | Data Collection & Dissemination <ul style="list-style-type: none"> Evaluate current-state Data Guardianship tools, processes, people, and technology (part of “Modern Culture of Data”) Work with MSP to define and document current-state processes and systems related to data guardianship | <ul style="list-style-type: none"> Initial analysis of current state Current-state journey maps for prioritized data guardianship processes |
| 2. Establish Timeframe: Weeks 4 - 8 | Five-Year Strategic Plan <ul style="list-style-type: none"> Conduct current-state maturity assessment Develop recommended target state and opportunities Develop five-year strategic plan with prioritized recommendations and sequencing | <ul style="list-style-type: none"> Data driven culture maturity analysis and snapshot, identifying current-state observations Recommended “Modern Culture of Data” target state and opportunities Analysis Five-year strategic plan |
| | Data Collection & Dissemination <ul style="list-style-type: none"> Identify enhancements to current Standards Operating Procedures (SOP) based on Explore activities Create end user data needs repository Create data dictionary based on identified data sources, end user data needs repository, and applicable systems of record Develop high-level change plan for data guardianship changes using a Change Canvas Develop personas detailing change impacts for data guardianship | <ul style="list-style-type: none"> Future-state journey maps for prioritized data guardianship processes SOP for Data Handling recommendations End user data needs repository Data dictionary Change canvas describing the vision, key metrics, change impacts, and plan Personas |
| 3. Enable Timeframe: Weeks: 8 – 12 | Data Collection & Dissemination <ul style="list-style-type: none"> Use journey maps and personas to develop applicable job aids and support training documentation | <ul style="list-style-type: none"> Job aids/ training materials (e.g., data dictionary, end user data) |
| | Change Management & Lean Coaching <ul style="list-style-type: none"> Develop an effective communication and training strategy to help staff feel supported, prepared, and geared toward success Work with MSP to develop pilot rollout plan to implement the Data Collection & Dissemination artifacts/training | <ul style="list-style-type: none"> Communication and training strategy Pilot rollout plan |
| 4. Empower Timeframe: Weeks: 12 - 14 | Change Management & Lean Coaching <ul style="list-style-type: none"> Support the day-to-day activities of the pilot rollout plan through direct coaching of MSP CJIC unit Conduct transition activities | <ul style="list-style-type: none"> Execute pilot rollout plan Transition materials |

A blended team of experienced advisors will work with you to develop the required deliverables for this 14-week project. The Slalom team will consist of:

| Title | Duties | Commitment |
|------------------------------|--|----------------------------|
| Project Manager | Oversees and manages engagement team timelines, workload, and the backlog of work. Communicates project statuses, blockers, and questions to MSP. | Full Time |
| Public Safety SMA | Provides Public Safety subject matter advisership for the Slalom delivery team. Enables the sharing of best practices from Slalom's National Justice & Public Safety team. | Part Time |
| Organizational Strategy Lead | Responsible for providing organizational effectiveness insight and guidance. Uses Slalom's Change Agility methodology to develop personas and the strategy for communicating organizational process changes. | Full Time |
| Data & Technology Lead | Data & Technology expert that provides guidance on potential technology recommendations. Aligns technology recommendations to appropriate timing on roadmap. | Full Time |
| Data Guardian | Leads the development of Data Collection & Dissemination artifacts. Works with the Process Documentation Lead in the creation of job aids and applicable documentation to enable effective knowledge transfer and training to MSP staff. | Full Time |
| Experience Consultant | Supports the development of Data Collection & Dissemination artifacts by creating applicable journey maps, process flows, and procedure documentation. | Full Time |
| Learning & Adoption Lead | Leads the development of training materials to enable effective knowledge transfer and upskilling of MSP staff for the created Data Collection & Dissemination artifacts. | Full Time for Weeks 8 – 14 |
| Engagement Lead | The Engagement Lead (EL) will be an experienced data driven culture practitioner. The EL will provide consistency across all "Modern Culture of Data" activities as well as owning the "Modern Culture of Data" vision on the Slalom side. The EL will also be the first line of escalation and will assist delivery leads in the day-to-day management of work. | Part time |
| Accountable Executive | The Accountable Executive (AE) will serve as an additional point of escalation for any issues or needs that may arise. They will lead the account on the Slalom side and directly engage with MSP leadership to ensure a high-value result. | Part time |

2. Service Requirements

(In response to Section 2)

Slalom assumes a start date of September 26th and plans to complete all "Five-Year Strategic Plan" activities by November 30th, with the remainder of activities to be complete by the end of 2022.

3. Acceptance

(In response to Section 3)

Slalom has reviewed and will plan to adhere to the criteria outlined in Section 16 of the Contract Terms for determination of acceptance of Contract Activities.

4. Staffing

(In response to Section 4)

4.1 Key Personnel

Key Slalom account team members are listed below.

| 1. Name | 2. Years of Experience in Current Classification | 3. Role(s) / Responsibilities | 4. Direct / Subcontract / Contract | 5. % of Work Time | 6. Physical Location |
|--------------|--|---|---|-------------------------|----------------------------|
| Cathy Shim | 2.5 at Slalom 10 Total | Key personnel position: Account Executive Responsible for the day-to-day operations of the contract. Leads Slalom's overall relationship with the State of Michigan. Cathy will work in close partnership with the Project Accountable Executive and Engagement Lead to provide oversight and continuity across DTMB and Slalom to ensure successful business outcomes. | Direct / FT | Part Time | Detroit, Michigan |
| Scott Smith | 3 at Slalom 10 total | Key personnel position: Project Accountable Executive Serves as the senior project leader and point of escalation for any issues or needs that may arise. Scott will lead the account on the Slalom side and directly engage with MSP leadership to ensure a high-value result. | Direct / FT | Part Time | Detroit, Michigan |
| Kevin Magnan | 1 at Slalom 5 total | Key personnel position: Public Safety Subject Matter Advisor | Direct / FT | Part Time | Chicago, Illinois |

| 1. Name | 2. Years of Experience in Current Classification | 3. Role(s) / Responsibilities | 4. Direct / Subcontract / Contract | 5. % of Work Time | 6. Physical Location |
|------------|--|--|---|-------------------------|----------------------------|
| | | <p>Provides Public Safety subject matter advisership for the Slalom delivery team.</p> <p>Enables the sharing of best practices from Slalom's National Justice & Public Safety team.</p> | | | |

Key Personnel Resumes

Resumes for key personnel can be found in [Appendix B](#). Representative profiles of other project team members can be found in [Appendix C](#).

4.2 Disclosure of Subcontractors

(In response to Section 4.2)

Slalom does not intend to utilize subcontractors.

5. Project Management

(In response to Section 5)

Slalom understands and accepts the Project Plan (5.1), Meetings (5.2) and Reporting (5.3) terms listed under Section 5 of the RFP.

6. Pricing

(In response to Section 6)

Successful delivery of this project requires the coordination of three work tracks. Provided below is a pricing breakdown for each work track to develop their respective deliverables detailed within our Approach Outline section.

| Work Track Deliverables | Pricing |
|--------------------------------------|------------------|
| 1. Five Year Strategic Plan | \$248,340 |
| 2. Data Collection & Dissemination | \$230,854 |
| 3. Change Management & Lean Coaching | \$119,313 |
| Total | \$598,507 |

Pricing Term

Slalom will bill the Client on a fixed capacity pricing model, billed monthly.

Fees for the Services for the project described in this SOW shall be determined as follows:

| | |
|---|---|
| Project Type: | <input checked="" type="checkbox"/> Fixed Fee |
| Estimated Fees for Services (14 weeks) | \$598,507 |
| Invoicing | Monthly (\$149,626.75 per month) |

Any changes to the scope of services, financials, staffing and/or drastic timing (defined as timing that shifts more than 30 days) requires formal Client approval as well as an approved SOW Change Order.

Client will only reimburse supplier for expenses incurred, documented, and submitted in accordance with Client's Expense Reimbursement Policy and Standard Contract Terms.

Invoice Schedule

| | |
|---------------------------|--------------|
| September 30, 2022 | \$149,626.75 |
| October 31, 2022 | \$149,626.75 |
| November 30, 2022 | \$149,626.75 |
| December 31, 2022 | \$149,626.75 |

Client Responsibilities & Assumptions

Assumptions:

1. The client will ensure key access to Michigan State Police and State of Michigan systems are provided to Slalom team resources at the start of Week 1.
2. Slalom will not access any Michigan State Police data, CJIS or otherwise, and other sensitive information. For clarity, no third-party PII or other sensitive information will be transferred to Slalom by MSP or otherwise processed within Slalom's devices or environment. Should we need to revisit this assumption, Slalom may require additional protections and protocols be put in place and documented in an amendment to this SOW.
3. The project will be completed following an agile sprint schedule, including standard scrum ceremonies (stand-ups, backlog planning/grooming, bi-weekly demos, etc.).
4. Slalom will rely on all decisions and approvals of Client in connection with the Services including execution of any strategy(s) or roll-out of pilot(s).
5. Slalom and Client will participate in weekly status review meetings to determine accomplishments with the plan and identify issues that need immediate resolution. To keep the

project on track, a response is required within one business day for critical issues. For other issues, a response is required in two business days.

6. All work will be scoped to be delivered within the time estimates allotted. If a requirement or deliverable is defined or redefined in such a way that accomplishing it would exceed the budget for the project, a change order will be proposed, and revised estimate provided.
7. Slalom will not be responsible for delays due to Client, DTMB, other State of Michigan resources, or Client vendors, including their failure to execute the Client responsibilities.
8. The majority of work will be performed remotely. In-person work will be determined on a case-by-case basis when deemed necessary, such as workshops or readouts.
9. Client will assign Client personnel/Program Manager and ensure to the best of its ability that all information provided to Slalom is complete, accurate and current in all material respects, contains no material omissions and is updated promptly and continuously during the engagement.
10. Client will provide the necessary documentation and access to key Client technical and business personnel, including CJIC and DTMB staff, on a timely basis.

Client Responsibilities:

1. The client team will be available for a project kick-off meeting on the first day of the project to ensure we can adhere to our project timeline.
2. The client will provide/facilitate timely access to key subject matter experts, interviewees, and other key personnel to enable effective execution of the work.
3. The project sponsors should be available 1-2 hours a day for the first 5 days of the engagement, and as needed throughout the remainder of the engagement.
4. Provide promptly such information, documentation, decisions, approvals, and assistance as requested or necessary for Slalom's performance and maintenance of project cadence.
5. Provide complete, accurate and current information and update it promptly and continuously as necessary during the engagement.
6. Ensure use and procurement of appropriate licenses.



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

CONTRACT CHANGE NOTICE

Change Notice Number **2**
to
Contract Number **210000001422**

| | |
|-------------------|-------------------------------|
| CONTRACTOR | Slalom, LLC |
| | 660 Woodward Ave., Suite 1975 |
| | Detroit, MI 48226 |
| | Cathy Shim |
| | 734-846-6575 |
| | cathy.shim@slalom.com |
| | VS0150962 |

| | | | |
|--------------|-------------------------------|-----------------------|------|
| STATE | Program Manager | Holly Grandy-Miller | DTMB |
| | | 517-243-8710 | |
| | | Millerh1@michigan.gov | |
| | Contract Administrator | Sean Regan | DTMB |
| | | (517) 284-6993 | |
| | | regans@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 - 1 Year | August 31, 2026 | |
| PAYMENT TERMS | | DELIVERY TIMEFRAME | | |
| | | | | |
| ALTERNATE PAYMENT OPTIONS | | | EXTENDED PURCHASING | |
| <input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other | | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| MINIMUM DELIVERY REQUIREMENTS | | | | |
| | | | | |
| DESCRIPTION OF CHANGE NOTICE | | | | |
| OPTION | LENGTH OF OPTION | EXTENSION | LENGTH OF EXTENSION | REVISED EXP. DATE |
| <input type="checkbox"/> | | <input type="checkbox"/> | | N/A |
| CURRENT VALUE | VALUE OF CHANGE NOTICE | ESTIMATED AGGREGATE CONTRACT VALUE | | |
| \$297,856.00 | \$193,116.00 | \$490,972.00 | | |
| DESCRIPTION | | | | |
| Effective 8/26/2022, this Contract is hereby increased by \$193,116.00 and the following amendment is incorporated to provide Research Transfer & Design Services for the Office of Continuous Improvement (OCI). | | | | |
| Funding for this Change Notice was previously approved on the 5/10/2022 Ad Board. | | | | |
| All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement and DTMB Central Procurement Services approval. | | | | |

Office of Continuous Improvement (OCI) Research Transfer & Design Services (SADLC)

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Scope of Work

The SADLC project, is to configure a new COTS application to replace two existing applications. The emphasis with the SADLC project will be diving in to understand the use cases and provide optimized workflows, service maps, and screen designs compliant with the incoming COTS application.

Model of Transfer

- Vendor will mentor OCI during both projects in models and templates for transferring end user research to development teams and designers.
- Models, and templates will be used by OCI after the project has been completed as part of the OCI methodology.

User Interface (UI) Design

- A basic wireframe to mockups conversion is needed where the wireframes represent the functional need on a web page/screen as drawn by the functional team, the mockups depict the finished product which the developers focus on mimicking.
 - Application design theme, UI elements (buttons, text boxes, menus etc.) need to be more accurately defined so that developers can build to exact specifications and not have to interpret the rendering.
 - Development ready wireframes/mockups in the form of a UI-kit containing the theme and high fidelity mockups.

Usability

- Access requirements 'clicks-analysis' is needed based on the importance of access to a specific function in one, two three... ..five etc. user clicks. Usually in consultation with the project team a table of user accessible functions is developed for categorization of 'Very Important', 'Important', 'Other' capabilities/features, to determine optimum navigation flow.
- Based on the above, suitable menuing, top and side navigation options need to be designed, especially when offering a 'work-flow' for longer process oriented tasks.
- Vendor can recommend additional items not listed.

SADLC Assumptions

- We are assuming the cycles are 30 *business days*, translating into 6 calendar weeks per cycle.
- The SADLC work is expected to last 19 weeks based on the assumption of 3 cycles of work at 6 weeks per cycle, plus a one-week initiation phase.
- Because the full scope of work planned for each cycle is unknown, we are assuming 1 designer for each 6-week cycle is the right amount.
- This approach is focused on the design side of the effort and does not currently include estimates for user research. We recommend integrating user research into the process and would be more than happy to modify our approach to include research.

- We are including space in our budget for our designer to work with and mentor the DTMB development teams so that they can learn to work with design teams effectively.
- We are assuming that there is no HTML work needed for SADLC, based on the intake call and answers provided. We are happy to scope this work if required.
- The client will ensure key accesses are provided to Slalom team resources at the start of Week 1.
- Slalom will rely on all decisions and approvals of Client in connection with the Services.
- Slalom and Client will participate in status review meetings to determine accomplishments with the plan and identify issues that need immediate resolution. To keep the project on track, a response is required within one business day for critical issues. For other issues, a response is required in two business days.
- All work will be scoped to be delivered within the time estimates allotted. If a requirement or deliverable is defined or redefined in such a way that accomplishing it would exceed the budget for the project, a change order will be proposed, and revised estimate provided.
- Slalom will not be responsible for delays due to Client or Client-affiliated third-party resources, including their failure to execute the Client responsibilities.
- We anticipate most of the work to be completed remotely, however, there may be opportunity for in-person sessions from time to time over the course of project.
- Client will assign Client personnel/Program Manager and ensure to the best of its ability that all information provided to Slalom is complete, accurate and current in all material respects, contains no material omissions and is updated promptly and continuously during the engagement.
- Client will provide the necessary documentation and access to key Client technical and business personnel on a timely basis.

SADLC Approach

| Phase | Key Activities |
|----------------------------------|--|
| Project Initiation Week 1 | <ul style="list-style-type: none"> • Project kickoff meeting and operating agreement workshop • Conduct Stakeholder alignment workshop to understand context of work • Conduct introductory interviews with OCI leadership & key stakeholders to better understand current state of business • Review existing UX artifacts and determine audience for current scope |
| Process Design | <ul style="list-style-type: none"> • Review current and new SALC process tools • Analyze and identify opportunities to streamline and improve process workflow and design • Analyze and identify ways to improve end user experience |

| | |
|----------------------|---|
| Communication Design | <ul style="list-style-type: none"> Analyze current communication processes Provide HCD design and expertise to improve communication processes Analyze and identify opportunities to enhance communication and program support to end users |
| HCD Mentoring | <ul style="list-style-type: none"> Assess gaps in HCD understanding Review current design and HCD expertise in completed end user research Provide coaching to OCI teams to better perform analysis and package results Share any additional HCD best practices regarding any other end user activities |

The SADLC project team will consist of two key team members consisting of:

| Title | Duties | Commitment |
|-----------------|--|------------|
| HCD Lead | The HCD Lead will be primarily responsible for guiding the HCD strategy, design activities and mentoring activities. | Full Time |
| Engagement Lead | The Engagement Lead (EL) will be an experienced HCD practitioner. The EL will provide consistency across all HCD activities as well as owning the HCD vision on the Slalom side. The EL will also be the first line of escalation and will assist delivery leads in the day-to-day management of work. | Part time |

Service Requirements

A. Timeframes

All contract activities called out within the first cycle will be completed within 30 business days of the receipt of the order. All subsequent cycles will be completed within 30 business days of the cycle start date.

Acceptance

Acceptance, Inspection and Testing

Slalom adheres to all acceptance criteria provide In Section 16 of the Contract Terms.

Staffing

A. Key Personnel

Key Slalom account team members are Cathy Shim and Josh Ribolla.

B. Disclosure of Subcontractors

Slalom does not intend to utilize subcontractors.

Project Management

Slalom will plan to attend all State meetings and are comfortable including any necessary State employees whenever needed.

Slalom will work together with the project manager to provide a project status report on whatever cadence or format is deemed suitable.

Pricing

Slalom will bill the Client on a fixed capacity pricing model, billed monthly.

Slalom will use a fixed capacity team to address SADLC workflows. The capacity-based pricing model offers predictability and flexibility for both Slalom and the OCI team.

Fees for the Services for the [SADLC](#) described in this SOW shall be determined as follows:

| | |
|---|--|
| Project Type: | <input checked="" type="checkbox"/> Capacity-Based |
| Estimated Fees for Services (19 weeks) | \$193,116 |
| Reimbursable Expenses: | None |
| Invoicing | Monthly |

Any changes to the scope of services, financials, staffing and/or drastic timing (defined as timing that shifts more than 30 days) requires formal Client approval as well as an approved SOW Change Order.

Client will only reimburse supplier for expenses incurred, documented, and submitted in accordance with Client's Expense Reimbursement Policy and Standard Contract Terms.



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

CONTRACT CHANGE NOTICE

Change Notice Number **1**
 to
 Contract Number **210000001422**

| | |
|-------------------|-------------------------------|
| CONTRACTOR | Slalom, LLC |
| | 660 Woodward Ave., Suite 1975 |
| | Detroit, MI 48226 |
| | Cathy Shim |
| | 734-846-6575 |
| | cathy.shim@slalom.com |
| | VS0150962 |

| | | | |
|--------------|-------------------------------|-----------------------|------|
| STATE | Program Manager | Holly Grandy-Miller | DTMB |
| | | 517-243-8710 | |
| | | Millerh1@michigan.gov | |
| | Contract Administrator | Sean Regan | DTMB |
| | | (517) 243-8459 | |
| | | regans@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 - 1 Year | August 31, 2026 | |
| PAYMENT TERMS | | DELIVERY TIMEFRAME | | |
| | | | | |
| ALTERNATE PAYMENT OPTIONS | | | EXTENDED PURCHASING | |
| <input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other | | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| MINIMUM DELIVERY REQUIREMENTS | | | | |
| | | | | |
| DESCRIPTION OF CHANGE NOTICE | | | | |
| OPTION | LENGTH OF OPTION | EXTENSION | LENGTH OF EXTENSION | REVISED EXP. DATE |
| <input type="checkbox"/> | | <input type="checkbox"/> | | August 31, 2026 |
| CURRENT VALUE | VALUE OF CHANGE NOTICE | ESTIMATED AGGREGATE CONTRACT VALUE | | |
| \$0.00 | \$297,856.00 | \$297,856.00 | | |
| DESCRIPTION | | | | |
| <p>Effective January 25, 2022, this Contract is hereby increased by \$297,856.00 for the MiLogin statement of work below. This statement of work identifies the Human Centered Design project that will make the MiLogin user-experience more intuitive, improve self-resolution of issues and to reduce access difficulties.</p> <p>Funding for this change notice was previously approved on the 11/16/2021 ad board.</p> <p>All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement and DTMB Central Procurement Services approval.</p> | | | | |

MILogin Usability Study & Knowledge Transfer Partnership Statement of Work

Slalom Solution

Description of Work

1. Project Overview

Using HCD methodologies and processes both the Slalom Consulting team and the Michigan DTMB, also known as the “Joint Working Team”, will make the MILogin user-experience more intuitive, improve self-resolution of issues and to reduce access difficulties. It is also expected that state will better understand where MILogin exceeds or falls short of user expectations throughout their journey.

2. Activities and Deliverables

Together, the Joint Working Team will assess existing MILogin data and documentation, gain strategic insights into tools and functionality from other solutions, and better understand how the State of Michigan is serving its stakeholders today and changes they make in the future.

Activities and Deliverables

| Milestones | Activities | Deliverables | Slalom Contributors | Client Contributors |
|------------------------|--|---|--|--|
| Discovery & Definition | <ul style="list-style-type: none"> Artifact Review Competitive Landscape workshops/working sessions Service Design workshops/ working sessions Personas, experience maps, empathy maps, future state metrics | <ul style="list-style-type: none"> Discovery and Landscape Review Service Design Metrics Planning Training and Knowledge Transfer | <ul style="list-style-type: none"> UX Research Lead UX Researcher Solution Owner Engagement Manager | <ul style="list-style-type: none"> Working Team Client Leaders Stakeholders |
| Research | <ul style="list-style-type: none"> Qualitative MILogin usability assessment <ul style="list-style-type: none"> - User testing - Working sessions to understand testing results | <ul style="list-style-type: none"> Moderated Usability Testing (Qualitative) and Research Readout Training and Knowledge Transfer | <ul style="list-style-type: none"> UX Research Lead UX Researcher Solution Owner | <ul style="list-style-type: none"> Working Team Stakeholders |
| Design | <ul style="list-style-type: none"> Prototyping <ul style="list-style-type: none"> - Workshops/working sessions - Page and feature prioritization - Wireframe development | <ul style="list-style-type: none"> Prototype Development, Usability Findings, and Recommendations Training and Knowledge Transfer | <ul style="list-style-type: none"> UX Designer UX Research Lead UX Researcher Solution Owner Engagement Mgr | <ul style="list-style-type: none"> Working Team Client Leaders Stakeholders |

Proposed Team

Slalom Project Roles:

| Role | Description | Weeks | Allocation |
|---------------------------------|--|-------|------------|
| UX Research Lead | Lead research efforts; perform analysis; create artifacts and deliverables; communicate findings; ensure quality across HCD workstreams; provide coaching and mentoring. | 8 | 100% |
| UX Researcher | Perform research & analysis; create artifacts; communicate findings. | 8 | 100% |
| UX Designer | Assist in research; assist in creation of artifacts; design of deliverables and prototype. | 3 | 100% |
| Solution Owner / Project Manger | Responsible for the planning, tracking, and deliverables for our project. They are focused on making sure the project finishes on time and budget. | 8 | 100% |

| | | | |
|----------------------------|---|---|-----|
| Engagement/Program Manager | Provide oversight and continuity across DTMB and Slalom to ensure successful client outcomes. | 8 | 50% |
|----------------------------|---|---|-----|

Client Responsibilities & Requirements

Requirements:

1. The client will ensure key accesses are provided to Slalom team resources at the start of Week 1.
2. Slalom will rely on all decisions and approvals of Client in connection with the Services.
3. Slalom and Client will participate in status review meetings to determine accomplishments with the plan and identify issues that need immediate resolution. To keep the project on track, a response is required within one business day for critical issues. For other issues, a response is required in two business days.
4. All work will be scoped to be delivered within the time estimates allotted. If a requirement or deliverable is defined or redefined in such a way that accomplishing it would exceed the budget for the project, a change order will be proposed, and revised estimate provided.
5. Slalom will not be responsible for delays due to Client or Client-affiliated third-party resources, including their failure to execute the Client responsibilities.
6. All work will be performed remotely.
7. Client will assign Client personnel/Program Manager and ensure to the best of its ability that all information provided to Slalom is complete, accurate and current in all material respects, contains no material omissions and is updated promptly and continuously during the engagement.
8. Client will provide the necessary documentation and access to key Client technical and business personnel on a timely basis.

Client Responsibilities:

1. The client will provide/facilitate timely access to key subject matter experts, interviewees, and other key personnel to enable effective execution of the work.
2. The project sponsors should be available 1-2 hours a day for the first 5 days of the engagement, and as needed throughout the remainder of the engagement.
3. Provide promptly such information, documentation, decisions, approvals, and assistance as requested or necessary for Slalom's performance and maintenance of project cadence.
4. Provide complete, accurate and current information and update it promptly and continuously as necessary during the engagement.
5. Ensure use and procurement of appropriate licenses.

Fees

Compensation/Fees:

Slalom will bill the Client on a fixed fee pricing model, billed monthly.

Fees for the Services described in this SOW shall be determined as follows:

| | | |
|--|--|----------------------------------|
| Project Type: | <input checked="" type="checkbox"/> Fixed Fee | |
| Phase 1 Estimated Fees for Services | Discovery & Landscape Review | \$69,904.80 |
| | Service Design | \$58,355.32 |
| | Metrics Planning | \$17,020.30 |
| | Moderated Usability Testing (Qualitative) and Research Readout | \$108,809.10 |
| | Prototype Development, Usability Findings, and Recommendations | \$43,766.48 |
| | Training and Knowledge Transfer | \$0 (Integrated into each phase) |
| Total Cost | \$297,856 | |
| Optional Add-Ons | Quantitative (Maze) Study | \$42,550 |
| | Phase 2 | \$152,918 |
| Reimbursable Expenses: | Slalom expects to incur reimbursable expenses related to recruitment, user incentives, and tools for Phase 1. Please see Appendix A. | |
| Invoicing | Slalom to invoice monthly in the amount of \$148,928 for Phase 1 | |

Invoice Schedule and Process:

Out of pocket (OOP) expenses should only be billed at incurred actual costs or net cost with no mark up. Overtime, holiday or travel expenses will not be billed based on the Standard Contract Terms.

Expenses are defined as:

- OOP = internal or 3rd party expenses that are incurred to achieve success of Client's business requests and/or needs. Expenses billed must be clearly defined and broken out by expense type.

Any changes to the scope of services, financials, staffing and/or drastic timing (defined as timing that shifts more than 30 days) requires formal Client approval as well as an approved SOW Change Order.

Client will only reimburse supplier for expenses incurred, documented, and submitted in accordance with Client's Expense Reimbursement Policy and Standard Contract Terms.

Appendix A: Expenses

Anticipated Research Fees based on 25 usability sessions.

| | |
|---|-----------------|
| Moderated Test Recruitment (based on 25 users) | \$1,200-\$1500 |
| Unmoderated Test Recruitment (based on 25 users) | \$1,200-\$1500 |
| Participant Incentives (30-minute sessions, 25 users) | \$750-\$1000 |
| Zoom Pro Account | \$0 |
| TOTAL | \$3,150-\$3,500 |



STATE OF MICHIGAN PROCUREMENT

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

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **210000001422**

between
THE STATE OF MICHIGAN
and

| | |
|------------|-------------------------------|
| CONTRACTOR | Slalom, LLC |
| | 660 Woodward Ave., Suite 1975 |
| | Detroit, MI 48226 |
| | Cathy Shim |
| | 734-846-6575 |
| | Cathy.shim@slalom.com |
| | VS0150962 |

| | | | |
|-------|------------------------|-----------------------|------|
| STATE | Program Manager | Holly Grandy-Miller | DTMB |
| | | 517-243-8710 | |
| | | Millerh1@michigan.gov | |
| | Contract Administrator | Sean Regan | DTMB |
| | | 517-243-8459 | |
| | | regans@michigan.gov | |

| CONTRACT SUMMARY | | | |
|---|-------------------------|---------------------------|---|
| DESCRIPTION: Human Centered Design (HCD) Services – Prequalification Program | | | |
| INITIAL EFFECTIVE DATE | INITIAL EXPIRATION DATE | INITIAL AVAILABLE OPTIONS | EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW |
| 9/1/2021 | 8/31/2026 | 5, 1 Year | |
| PAYMENT TERMS | | DELIVERY TIMEFRAME | |
| Net 45 | | | |
| ALTERNATE PAYMENT OPTIONS | | | EXTENDED PURCHASING |
| <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: |
| Jennifer Ebenhoeh 660 Woodward Avenue, Suite 1975 Detroit, Michigan, 48226 jennifer.ebenhoeh@slalom.com 563-570-1988 |

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 | David Rouls 660 Woodward Avenue, Suite 1975 Detroit, Michigan, 48226 David.rouls@slalom.com 248-212-1186 |

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 | Jennifer Ebenhoeh 660 Woodward Avenue, Suite 1975 Detroit, Michigan, 48226 jennifer.ebenhoeh@slalom.com 563-570-1988 |

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 (Column 1) | Hourly Rate (\$) (Column 2) |
|--------------------------------------|--------------------------------|
| 1. Contractor Representative | \$325 |
| 2. Program Manager | \$275 |
| 3. Program Analyst | \$160 |
| 4. Solution Owner | \$225 |
| 5. Senior HCD Strategist/Designer | \$210 |
| 6. HCD Strategist/Designer | \$170 |
| 7. Associate HCD Strategist/Designer | \$110 |
| 8. Change Management Consultant | \$195 |
| 9. Organization Strategist | \$225 |

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

STANDARD CONTRACT TERMS

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

STANDARD CONTRACT TERMS

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.

STANDARD CONTRACT TERMS

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.

STANDARD CONTRACT TERMS

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.

STANDARD CONTRACT TERMS

- 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

FEDERAL PROVISIONS ADDENDUM

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.