



**STATE OF MICHIGAN PROCUREMENT**  
 Department Technology, Management and Budget  
 Central Procurement Services  
 320 S Walnut Street Lansing, MI 48933  
 P.O. Box 30026, Lansing, MI 48909

**CONTRACT CHANGE NOTICE**

Change Notice Number **4**  
 to  
 Contract Number **MA21000000022**

<b>CONTRACTOR</b>	INSIGHT PUBLIC SECTOR, INC.
	2701 E. Insight Way
	Chandler AR 85286
	Mike Stetson
	614-364-5928
	Mike.Stetson@insight.com
	CV0017527

<b>STATE</b>	<b>Program Manager</b>	Mary McGinnis	DTMB
		(517) 881-7125	
	McGinnisM2@michigan.gov		
	<b>Contract Administrator</b>	Lauren Stempek	DTMB
(517) 243-4008			
stempekl@michigan.gov			

**CONTRACT SUMMARY**

Michigan Master Computing Program (MMCP - Hardware Prequalification)			
<b>INITIAL EFFECTIVE DATE</b>	<b>INITIAL EXPIRATION DATE</b>	<b>INITIAL AVAILABLE OPTIONS</b>	<b>EXPIRATION DATE BEFORE</b>
October 31, 2020	July 31, 2026	10 - 1 Year	July 31, 2026
<b>PAYMENT TERMS</b>		<b>DELIVERY TIMEFRAME</b>	
<b>ALTERNATE PAYMENT OPTIONS</b>		<b>EXTENDED PURCHASING</b>	
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (PRC) <input type="checkbox"/> Other		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>MINIMUM DELIVERY REQUIREMENTS</b>			

**DESCRIPTION OF CHANGE NOTICE**

<b>OPTION</b>	<b>LENGTH OF OPTION</b>	<b>EXTENSION</b>	<b>LENGTH OF EXTENSION</b>	<b>REVISED EXP. DATE</b>
<input checked="" type="checkbox"/>	0 Months	<input type="checkbox"/>		July 31, 2028
<b>CURRENT VALUE</b>		<b>VALUE OF CHANGE NOTICE</b>	<b>ESTIMATED AGGREGATE CONTRACT VALUE</b>	
\$60,000,000.00		\$0.00	\$60,000,000.00	

## DESCRIPTION

Please note the Program Manager or Contract Administrator may have changed, and are reflected on this Change Notice.

Effective 3/12/2026, this contract executes 2 option years making the revised expiration date 7/31/2028.

Additionally, the State is required to comply with the Americans with Disabilities Act of 1990 (ADA) and has adopted standards and procedures regarding accessibility requirements for websites, applications, content, and electronic documents. Due to a change in the law, the State is required to comply with specific accessibility standards for websites, applications, content and documents.

Starting 4/24/2026, throughout the Term, all websites, applications, software, content, and electronic documents, including but not limited to mobile applications, text, images, sounds, videos, controls, animations, links, and documents (including files in the following formats: PDF, word processing, presentation, and spreadsheet), created, provided, or made available by the Contractor under this Contract, must comply with WCAG 2.1 Level AA

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



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 P.O. Box 30026, Lansing, MI 48909

**CONTRACT CHANGE NOTICE**

Change Notice Number **3**  
 to  
 Contract Number **MA21000000022**

<b>CONTRACTOR</b>	INSIGHT PUBLIC SECTOR, INC.
	2701 E. Insight Way
	Chandler AR 85286
	Mike Stetson
	614-364-5928
	Mike.Stetson@insight.com
	CV0017527

<b>STATE</b>	<b>Program Manager</b>	Mary McGinnis	DTMB
		(517) 881-7125	
		McGinnisM2@michigan.gov	
	<b>Contract Administrator</b>	Lauren Stempek	DTMB
		(517) 243-4008	
		StempekL@Michigan.gov	

**CONTRACT SUMMARY**

Michigan Master Computing Program (MMCP - Hardware Prequalification)			
<b>INITIAL EFFECTIVE DATE</b>	<b>INITIAL EXPIRATION DATE</b>	<b>INITIAL AVAILABLE OPTIONS</b>	<b>EXPIRATION DATE BEFORE</b>
October 31, 2020	July 31, 2026	10 - 1 Year	July 31, 2026
<b>PAYMENT TERMS</b>		<b>DELIVERY TIMEFRAME</b>	
<b>ALTERNATE PAYMENT OPTIONS</b>		<b>EXTENDED PURCHASING</b>	
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (PRC) <input type="checkbox"/> Other		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>MINIMUM DELIVERY REQUIREMENTS</b>			

**DESCRIPTION OF CHANGE NOTICE**

<b>OPTION</b>	<b>LENGTH OF OPTION</b>	<b>EXTENSION</b>	<b>LENGTH OF EXTENSION</b>	<b>REVISED EXP. DATE</b>
<input type="checkbox"/>		<input type="checkbox"/>	0 Years	
<b>CURRENT VALUE</b>		<b>VALUE OF CHANGE NOTICE</b>	<b>ESTIMATED AGGREGATE CONTRACT VALUE</b>	
\$60,000,000.00		\$0.00	\$60,000,000.00	

**DESCRIPTION**

Please note the Program Manager or Contract Administrator may have changed, and are reflected on this Change Notice.

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  
 320 S. WALNUT ST., LANSING, MICHIGAN 48933  
 P.O. BOX 30026 LANSING, MICHIGAN 48909

**CONTRACT CHANGE NOTICE**

Change Notice Number 2  
 to  
 Contract Number 21000000022

<b>CONTRACTOR</b>	INSIGHT PUBLIC SECTOR, INC.
	6820 South Harl Avenue
	Tempe, AZ 85283
	Mike Stetson
	614-364-5928
	mike.stetson@insight.com
	CV0017527

<b>STATE</b>	<b>Program Manager</b>	Mary Ladd	DTMB
		517-241-7561	
	LaddM@michigan.gov		
	<b>Contract Administrator</b>	Sean Regan	DTMB
(517) 284-6993			
regans@michigan.gov			

**CONTRACT SUMMARY**

MICHIGAN MASTER COMPUTING PROGRAM (MMCP - HARDWARE PREQUALIFICATION)

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 31, 2020	July 31, 2026	10 - 1 Year	July 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		
\$60,000,000.00	\$0.00	\$60,000,000.00		

**DESCRIPTION**

Effective 7/26/2022, the Federal Provisions Addendum and Byrd Anti-Lobbying Certification are hereby incorporated into the Contract.

Please note the State's Contract Administrator has been changed to Sean Regan.

All other terms, conditions, specifications, and pricing remain the same. Per contractor, agency and DTMB procurement.

# FEDERAL PROVISIONS ADDENDUM

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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:

(1) 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.

(2) 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.

(3) 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.

(4) 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.

(5) 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.

(6) 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.

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

(8) 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 contracts** 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:

- (1) 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 29 C.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.

- (2) 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.
- (3) Additionally, contractors are required to pay wages not less than once a week.

### **3. Copeland “Anti-Kickback” Act**

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.

## 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](#).

- (1) 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).
- (2) 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.
- (3) 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.
- (4) 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.
- d. 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.

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

(3) DHS Seal, Logo, And Flags.

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.

# ATTACHMENT 1- BYRD ANTI LOBBYING CERTIFICATION

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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.

The Contractor, \_\_\_\_\_ certifies or affirms the truthfulness 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.

\_\_\_\_\_  
Signature of Contractor's Authorized Official

\_\_\_\_\_  
Name and Title of Contractor's Authorized Official

\_\_\_\_\_  
Date



**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 21000000022

<b>CONTRACTOR</b>	INSIGHT PUBLIC SECTOR, INC.
	6820 South Harl Avenue
	Tempe, AZ 85283
	Mike Stetson
	614-364-5928
	Mike.Stetson@insight.com
	CV0017527

<b>STATE</b>	Program Manager	Mary Ladd	DTMB
		517-241-7561	
	LaddM@michigan.gov		
	Contract Administrator	Jordan Sherlock	DTMB
517-243-5556			
sherlockj@michigan.gov			

**CONTRACT SUMMARY**

MICHIGAN MASTER COMPUTING PROGRAM (MMCP - HARDWARE PREQUALIFICATION)

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 31, 2020	July 31, 2026	10 - 1 Year	July 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"/>		July 31, 2026

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$60,000,000.00	\$0.00	\$60,000,000.00

**DESCRIPTION**

Effective 1/15/2021, the attached changes will be incorporated into this contract.

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

**Updates to be made to Insight contract MA 21\*0022 via CN 1**

**1.0.9.2 Key Personnel:**

The State has identified the following as key personnel for this project:

1. Single Point of Contact (SPOC) – Steve Fiester
2. Contract Program Manager (CPM) – Mike Stetson
3. Contract Transition Manager – Mike Stetson

**8. Notices.** All notices and other communications required or permitted under this Contract must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

**If to State:**

Jordan Sherlock  
525 W Allegan Street  
Lansing, Michigan 48917  
[SherlockJ@michigan.gov](mailto:SherlockJ@michigan.gov)  
517.243.5556

**11. Administrative Fee and Reporting.** Contractor must pay an administrative fee of 2% 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 by check payable to the State of Michigan and mailed to:

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

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

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

**Add the following information:**

**Reports:** Vendors are required to report their MiDEAL member and State of Michigan Agency sales on a quarterly basis. Reports are to be sent to [MiDEAL@michigan.gov](mailto:MiDEAL@michigan.gov) no later than thirty

days after the end of each quarter. If no sales have occurred during the quarter, send an email that says "No Sales."

**Administrative Fees:** All administrative fees must be made online by credit/debit card (MasterCard, Visa or Discover) or e-check (an electronic version of a paper check processed using a checking or savings account.) The online payment system is available 24 hours a day, 7 days a week. The State's Financial Services office is not equipped to accept ACH/EFT payments and will not provide routing details for the State's Treasury bank account.

**Link to pay both MiDEAL and State of MI administrative fees:**

<https://www.thepayplace.com/mi/dtmb/adminfee>

**State of Michigan quarters:**

- Quarter 1: October 1 — December 31
- Quarter 2: January 1 — March 31
- Quarter 3: April 1 — June 30
- Quarter 4: July 1 — September 30

**1.0.5.13 END-USER DEVICES – Remove the following RFP language from the contract**

~~Once technical scoring is completed, all Bidders passing technical with a score of 80 or higher will be required to provide pricing for models and configurations provided by the State.~~



**STATE OF MICHIGAN PROCUREMENT**  
 Department of Technology, Management & Budget  
 525 W. Allegan St. Lansing, Michigan 48933

**NOTICE OF CONTRACT**

NOTICE OF CONTRACT NO. **21000000022**  
 between  
 THE STATE OF MICHIGAN  
 and

<b>CONTRACTOR</b>	Insight Public Sector, Inc
	6820 South Harl Avenue
	Tempe, AZ 85283
	Mike Stetson
	614-364-5928
	Mike.Stetson@insight.com
	CV0017527

<b>STATE</b>	Program Manager	Mary Ladd	MULTI
		517-241-7561	
		LaddM@michigan.gov	
	Contract Administrator	Jordan Sherlock	DTMB
517-243-5556			
SherlockJ@michigan.gov			

<b>CONTRACT SUMMARY</b>			
<b>DESCRIPTION: Michigan Master Computing Program (MMCP – Hardware Prequalification)</b>			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
10/31/2020	7/31/2026	10-1 Year	July 31, 2026
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
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			
N/A			
MISCELLANEOUS INFORMATION			
N/A			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			<b>\$60,000,000.00</b>

**FOR THE CONTRACTOR:**

\_\_\_\_\_  
**Company Name**

\_\_\_\_\_  
**Authorized Agent Signature**

\_\_\_\_\_  
**Authorized Agent** (Print or Type)

\_\_\_\_\_  
**Date**

**FOR THE STATE:**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Name & Title**

\_\_\_\_\_  
**Agency**

\_\_\_\_\_  
**Date**

## STANDARD CONTRACT TERMS

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and Insight Public Sector, Inc. (“**Contractor**”), an Illinois Corporation. This Contract is effective on October 31<sup>st</sup>, 2020 (“**Effective Date**”), and unless terminated, expires on July 31, 2026 (the “**Term**”). This Contract may be renewed at the discretion of the State, in one-year, three-year, or five-year periods. Renewal must be by written notice from the State and will automatically extend the Term of this Contract.

The parties agree as follows:

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

“**Agency Business Owner**” is the individual appointed by the end-user agency procuring Services or Deliverables under an Engagement SOW to (a) act as such agency’s representative in all matters relating to such Engagement SOW, and (b) co-sign off on the State’s notice of acceptance for all Services and Deliverables. The Agency Business Owner will be identified in the Engagement SOW.

“**Authorized Users**” means all Persons authorized by the State to access and use the Services and Deliverables under this Contract, subject to the maximum number of users specified in an applicable Purchaser Order or Engagement SOW.

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

“**Confidential Information**” has the meaning set forth in **Section 30.a**.

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

“**Contract Administrator**” is the individual appointed by each party to (a) administer the terms of this Contract, and (b) approve any Change Notices under this Contract. Each party’s Contract Administrator will be identified in **Section 9**.

“**Contract SOW**” means the statement of work entered into by the parties and attached as a **Exhibit A** to this Contract.

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

“**Contractor Personnel**” means all employees of Contractor or any subcontractors involved in the performance of Services hereunder.

“**Data Exchange Gateway**” means the State’s secure electronic file transfer solution.

**“Deliverables”** means hardware, software, components, equipment, options, accessories, documentation, reports, and all other materials that Contractor or any Subcontractor is required to or otherwise does sell to or provide to the State under this Contract and otherwise in connection with any Services, including all items specifically identified as Deliverables in the Contract SOW or an individual Engagement SOW.

**“Dispute Resolution Procedure”** has the meaning set forth in **Section 41**.

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

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

**“DTMB Business Manager”** means the applicable business relationship manager or comparable identified authority.

**“DTMB IT Project Manager”** is the individual appointed by each party under an Engagement SOW to (a) monitor and coordinate the day-to-day activities of the Engagement SOW, and (b) in the case of the State, co-sign off on its notice of acceptance for all Services and Deliverables. Each party’s IT Project Manager will be identified in the Engagement SOW

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

**“Engagement SOW”** means a statement of work entered into by the State and Contractor, or a Subcontractor, for the provision of specified Services and Deliverables.

**“Incident”** means any interruption in Services.

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

**“ITAM”** means the State’s Information Technology Asset Management System.

**“ITRAC”** means the State’s web application for requesting and tracking IT commodity, maintenance, and service purchases.

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

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

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

**“OEM”** Original Equipment Manufacturer

**“Person”** means an individual, corporation, partnership, joint venture, limited liability company, governmental agency, governmental department, governmental commission, governmental authority, unincorporated organization, trust, association or other entity.

**“Product Web Catalog”** mean the online list of State-approved products.

**“Recycling”** The series of activities by which materials that are no longer useful to the generator are collected, sorted, processed, and converted into raw materials and used in the production of new products. This definition excludes the use of these materials as a fuel substitute or for energy production.

**“Reports”** means any and all reports that Contractor is obligated to or otherwise does provide under the Contract SOW.

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

**“Reuse”** means using a product or component of municipal solid waste in its original form more than once.

**“Services”** means any of the services Contractor, or any Subcontractor, is required to or otherwise does provide under this Contract, or an Engagement SOW, including but not limited to installation, implementation, integration, field support, and incident response.

**“SIGMA”** means the Statewide Integrated Governmental Management Applications, which is the State's ERP system.

**“SLA”** means Service Level Agreement

**“SPOC”** means a Single Point of Contact.

“**State**” means the State of Michigan.

“**State Data**” has the meaning set forth in **Section 29.a**.

“**Stop Work Order**” has the meaning set forth in **Section 21**.

“**Subcontractor**” means any Person with whom Contractor contracts with to provide Services or Deliverables, including manufacturers, publishers, suppliers and material providers.

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

“**Transition Period**” has the meaning set forth in **Section 24**.

“**Transition Responsibilities**” has the meaning set forth in **Section 24**.

“**Unauthorized Removal**” has the meaning set forth in **Section 7.d.ii**.

“**Unauthorized Removal Credit**” has the meaning set forth in **Section 7.d.iii**.

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

“**Verifiable Price Index**” (“VPI”) mean prices recorded in a catalog, price list, schedule, or other verifiable and established record that is regularly maintained by Contractor and is published or otherwise available for customer inspections.

2. **Ordering.** Services and Deliverables must be ordered by one of the following two methods:

- a. **Engagement Statements of Work.** The State may order Services and Deliverables pursuant to an Engagement SOW. For billing purposes, all Engagement SOWs must have an associated Purchase Order issued by the State. THE TERMS AND CONDITIONS OF THIS CONTRACT WILL APPLY AT ALL TIMES TO ANY ENGAGEMENT SOW ENTERED INTO BETWEEN THE PARTIES.

Engagement SOWs entered into under this Contract shall be developed and agreed to by the parties as set forth below:

- i. The State shall deliver its proposed Engagement SOW to the Contractor engaged to perform the Services, whereupon the Contractor shall review

and approve, or raise any exceptions or clarifications to the State's proposed Engagement SOW. If Contractor raises any such exceptions, the parties shall negotiate in good faith to amend the proposal, provided that:

1. to the extent that the Contractor's response does not comply with the requirements of this Contract and the business requirements set forth in the State's proposed Engagement SOW, it shall be amended to so comply; and
  2. either party may terminate negotiations if the parties fail to agree on a final Engagement SOW.
- ii. Upon the parties' agreement to a final Engagement SOW, each party shall cause the same to be signed by its duly authorized representative. The only individuals authorized to sign on behalf of the State are the DTMB Business Manager and the Agency Business Owner, both of whom must sign for the final Engagement SOW to be valid. Upon its mutual execution, the final Engagement SOW shall be attached to its associated Ordering Document.
- b. **Ordering Documents.** The State may order Services and Deliverables pursuant to Ordering Document issued by the State, and signed by Contractor. The State reserves the right to cancel any Ordering Document at any time prior to shipment of the Deliverables or delivery of the Services and shall not be subject to any charges or other fees whatsoever as a result of such cancellation. The State may, by written communication, make changes to any Ordering Document subject to an equitable adjustment in the price, delivery schedule, or both, where appropriate. THE TERMS AND CONDITIONS OF THIS CONTRACT WILL APPLY AT ALL TIMES TO ANY ORDERING DOCUMENTS ISSUED BY THE STATE UNDER THIS CONTRACT.
3. **Invoicing.** Requirements for invoicing are set forth in the Contract SOW. THE TERMS AND CONDITIONS OF THIS CONTRACT WILL APPLY AT ALL TIMES TO ANY INVOICES.
  4. **Quotes.** Requirements for quotes are set forth in the Contract SOW. THE TERMS AND CONDITIONS OF THIS CONTRACT WILL APPLY AT ALL TIMES TO ANY QUOTES
  5. **Delivery.** Delivery requirements are set forth in the Contract SOW.
  6. **Warranty.** For orders placed under a Ordering Document, Contractor will assign to the State all manufacturer or publisher's warranties on all Deliverables. For orders placed under an Engagement SOW, the terms of the Engagement SOW will control Contractor's and Subcontractor's warranty obligations, if any.
  7. **Performance of Services.** Contractor, and all Subcontractors will provide all Services and Deliverables in a timely, professional and workmanlike manner and in accordance with the terms, conditions, and specifications set forth in this Contract, the Contract SOW, and any applicable Engagement SOW.

**a. State Standards**

- i. The Contractor and all Subcontractors must adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards of which the publicly available one are at [https://www.michigan.gov/dtmb/0,5552,7-358-82547\\_56579\\_56755---,00.html](https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html)
- ii. To the extent that Contractor or any Subcontractor has access to the State's computer system, Contractor or Subcontractor must comply with the State's Acceptable Use Policy, see [https://www.michigan.gov/documents/dtmb/1340.00.01\\_Acceptable\\_Use\\_of\\_Information\\_Technology\\_Standard\\_458958\\_7.pdf](https://www.michigan.gov/documents/dtmb/1340.00.01_Acceptable_Use_of_Information_Technology_Standard_458958_7.pdf). All Contractor and Subcontractor 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 or Subcontractor's access to the State's system if a violation occurs.

**b. Contractor Personnel**

- i. Contractor is solely responsible for all Contractor personnel and for the payment of their compensation, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits.
- ii. Prior to any Contractor personnel performing any Services, Contractor will:
  1. ensure that such Contractor personnel have the legal right to work in the United States; and
  2. require such Contractor personnel to execute written agreements, in form and substance acceptable to the State, that bind such Contractor personnel to confidentiality provisions that are at least as protective of the State's information (including all Confidential Information) as those contained in this Contract.
  3. upon request, perform background checks on all Contractor Personnel prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks on Contractor Personnel. Pursuant to Michigan law, all agencies subject to IRS Pub. 1075 are required to ask the Michigan State Police to perform fingerprint background checks on all employees, including Contractor and Subcontractor employees, who may have access to any database of information maintained by the federal government that contains confidential or personal information, including, but not limited to, federal tax information. Further, pursuant to Michigan law, any agency described above

is prohibited from providing Contractors or Subcontractors with the result of such background check. For more information, please see Michigan Public Act 427 of 2018.

- iii. Contractor and all Contractor Personnel will comply with all rules, regulations, and policies of the State that are communicated to Contractor in writing, including security procedures concerning systems and data and remote access, building security procedures, including the restriction of access by the State to certain areas of its premises or systems, and general health and safety practices and procedures.
  - iv. The State reserves the right to require the removal of any Contractor Personnel found, in the judgment of the State, to be unacceptable. The State's request must be written with reasonable detail outlining the reasons for the removal request. Replacement personnel for the removed person must be fully qualified for the position. If the State exercises this right, and Contractor cannot immediately replace the removed personnel, the State agrees to negotiate an equitable adjustment in schedule or other terms that may be affected by the State's required removal.
- c. **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.
- d. **Contractor's Key Personnel**
- i. 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 Contract Administrator, 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.
  - ii. Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("**Unauthorized Removal**"). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel's employment. Any Unauthorized Removal may be considered by the State to be a

material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under **Section 22**.

iii. It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under **Section 22**, Contractor will issue to the State the corresponding credits set forth below (each, an “Unauthorized Removal Credit”):

1. 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.
2. 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.

iv. Contractor acknowledges and agrees that each of the Unauthorized Removal Credits assessed under **Subsection iii** 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.

8. **Notices.** All notices and other communications required or permitted under this Contract must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

If to State:	If to Contractor:
Mary Ladd  515 Westshire Dr  Lansing, Michigan 48917  <a href="mailto:LaddM@michigan.gov">LaddM@michigan.gov</a>	<i>Pam Potter, Compliance Manager</i>  6820 S Harl Ave  Tempe, AZ 85283  <a href="mailto:sledcontracts@insight.com">sledcontracts@insight.com</a>

517-241-7561	480-366-7027
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9. **Contract Administrators.** The following individuals are each party's Contract Administrator:

State:	Contractor: Insight Public Sector, Inc.
Jordan Sherlock 525 W Allegan St Lansing, Michigan 48917 SherlockJ@michigan.gov 517-243-5556	Brittany Dunaway, Contract Manager 6820 S Harl Ave Tempe, AZ 85283 sledcontracts@insight.com 480-366-7029

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

Insurance Type	Additional Requirements
<b>Commercial General Liability Insurance</b>	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations  <u>Deductible Maximum:</u> \$50,000 Each Occurrence	Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 0.
<b>Umbrella or Excess Liability Insurance</b>	
<u>Minimal Limits:</u> \$5,000,000 General Aggregate	Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies,

	offices, commissions, officers, employees, and agents” as additional insureds.
<b>Automobile Liability Insurance</b>	
<u>Minimal Limits:</u> \$1,000,000 Per Occurrence	
<b>Workers' Compensation Insurance</b>	
<u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
<b>Employers Liability Insurance</b>	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	
<b>Privacy and Security Liability (Cyber Liability) Insurance</b>	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence \$1,000,000 Annual Aggregate	Contractor must have their policy: (1) endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds; and (2) cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.
<b>Hired and Non-Owned Motor Vehicle Insurance</b>	
<u>Minimal Limits:</u> \$1,000,000 Per Accident	Contractor must have their policy endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers,

	employees, and agents” as additional insureds.
<b>Professional Liability (Errors and Omissions) Insurance</b>	
<u>Minimal Limits:</u> \$3,000,000 Each Occurrence \$3,000,000 Annual Aggregate  <u>Deductible Maximum:</u> \$50,000 Per Loss	

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

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

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

11. **Administrative Fee and Reporting.** Contractor must pay an administrative fee of 2% 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 by check payable to the State of Michigan and mailed to:

**Department of Technology, Management and Budget**

**Financial Services – Cashier Unit**

**Lewis Cass Building**

**320 South Walnut St.**

**P.O. Box 30681**

**Lansing, MI 48909**

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

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

12. **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](http://www.michigan.gov/mideal). Upon written agreement between the State and Contractor, this Contract may also be extended to: (a) State of Michigan employees and (b) other states (including governmental subdivisions and authorized entities).

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

Contractor must submit invoices to, and receive payment from, extended purchasing program members on a direct and individual basis.

13. **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.

14. **Intellectual Property Rights.**

- a. Reports. As to any Reports, Contractor hereby acknowledges that the State is and will be the sole and exclusive owner of all right, title, and interest in such Reports and all associated Intellectual Property Rights, if any. Such Reports are works made for hire as defined in Section 101 of the Copyright Act of 1976. To the extent any Reports and related Intellectual Property Rights 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 Reports, including all Intellectual Property Rights therein.
  - b. Non-Report Deliverables. Intellectual Property Rights with respect to non-Report Deliverables will be governed by the individual license agreement or Engagement SOW that pertain to that particular Deliverable.
15. **Assignment.** Contractor may not assign this Contract to any other party without the prior written 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.
16. **Change of Control.** Contractor will notify the State, at least 30 calendar days before the effective date, 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.

17. **Acceptance.**

- a. Services and Deliverables are subject to inspection and testing by the State in accordance with the Contract SOW and any applicable Ordering Document Requirements.
- b. Unless otherwise specified in the applicable Engagement SOW, all Services and Deliverables provided under an Engagement SOW are subject to the acceptance procedures set forth below:
  - i. All Services and Deliverables are subject to inspection and testing by the State within 15 Business Days of the State's receipt of them. The Services and Deliverables must be accepted in writing by the State's IT Project Manager and its Agency Business Owner. If the State finds deficiencies in the Services and Deliverables, it may: (1) demand performance at no additional cost, in the form a written notice to cure; or (2) reject the deficient

Services and Deliverables without performing any further inspections, and terminate the Engagement SOW and associated Ordering Document, in whole or in part, in accordance with Section 22.

- ii. Within 15 Business Days from the date of Contractor's receipt of a notice to cure, Contractor must cure, at no additional cost, the noted deficiencies and deliver acceptable Services and Deliverables to the State.
  - iii. If Contractor is unable or refuses to correct the noted deficiencies within the time response standards set forth in subsection (b) above, the State may terminate the Engagement SOW and associated Ordering Document, in whole or in part, in accordance with Section 22. The State, or a third party identified by the State, may perform the Services and Deliverables and the State may recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.
18. **Terms of Payment.** All undisputed amounts are payable within 45 days of the State's receipt of a valid invoice. Contractor may only charge for Services and Deliverables performed as specified in the Ordering Document or Engagement SOW. 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 and Deliverables purchased under this Contract are for the State's exclusive use. Notwithstanding the foregoing, all prices are inclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

The State has the right to withhold payment of any disputed amounts until the parties agree as to the validity of the disputed amount. 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 Services or Deliverables. 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.

19. **Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in the Contract Statement of Work, or an Engagement SOW if applicable.
20. **Stop Work Order.** The State may suspend any or all Services under the Contract, an individual Ordering Document or an individual Engagement SOW at any time. The State will provide Contractor, or Subcontractor if applicable, a written stop work order detailing the suspension. Contractor, or Subcontractor if applicable, 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. The State will not pay for any Services or Deliverables, Contractor's lost profits, or any additional compensation during a stop work period.

21. **Termination for Cause.** The State may terminate this Contract, an individual Ordering Document or an individual Engagement SOW for cause, in whole or in part, if Contractor or its Subcontractors, as determined by the State: (a) endangers the value, integrity, or security of any State 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) fails to perform Services under an Engagement SOW with sufficient personnel and equipment or with sufficient material to ensure adequate performance of the Services; (d) breaches any of its material duties or obligations under this Contract, an individual Ordering Document, or an individual Engagement SOW; 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 in accordance with **Section 24**, Transition Responsibilities. 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 23**, Termination for Convenience.

The State will only pay for amounts due to Contractor for Services and Deliverables 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 Services and Deliverables from other sources.

22. **Termination for Convenience.** The State may immediately terminate this Contract, an individual Ordering Document or an individual Engagement SOW, 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 or Subcontractor must: (a) cease performance of the Services immediately, or (b) continue to perform the Services in accordance with **Section 24**, 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.

23. **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 Services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Services to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Services at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Services, training, 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.

24. **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 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; and (iii) employ its own counsel. 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.

25. **Infringement Remedies.** If, in either party's opinion, any of the Services or Deliverables 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 Services or Deliverables, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with

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

26. **Limitation of Liability.** THE STATE WILL NOT BE LIABLE, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS AND LOST BUSINESS OPPORTUNITIES. IN NO EVENT WILL THE STATE'S AGGREGATE LIABILITY TO CONTRACTOR UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES SPECIFIED IN THE APPLICABLE ORDERING DOCUMENT OR ENAGEMENT STATEMENT OF WORK GIVING RISE TO THE CLAIM.
27. **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.
28. **State Data.**
  - a. **Ownership.** The State's data ("**State Data**," which will be treated by Contractor as Confidential Information) includes: (a) User Data; and (b) the State's data collected, used, processed, stored, or generated in connection with the Services, including but not limited to (i) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Services, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements here listed; and (ii) personal health information ("**PHI**") collected, used, processed, stored, or generated as the result of the Services, which is defined under the Health Insurance Portability and Accountability Act ("**HIPAA**") and its related rules and regulations. State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. This Section 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 Services, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Services. Contractor must: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract, applicable SOM PSP's, and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Services, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law; and (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone

other than the State without the State's prior written consent. This Section survives the termination of this Contract.

- c. Compromise of State 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; (g) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and (h) provide to the State a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, must comply with applicable law, be written in plain language, not be tangentially used for any solicitation purposes, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. The State will have the option to review and approve any notification sent to affected individuals prior to its delivery. Notification to any other party, including but not limited to public media outlets, must be reviewed and approved by the State in writing prior to its dissemination. This Section survives termination or expiration of this Contract.
29. **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 or is: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA) by the receiving party; (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.

- b. Obligation of Confidentiality. The parties agree to hold all Confidential Information in 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.

- 30. Data Privacy and Information Security.** 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 State Data; (b) protect against any anticipated threats or hazards to the security or integrity of State Data; (c) protect against unauthorized disclosure, access to, or use of 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 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.
- 31. 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 ("**Financial 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 Services 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 Services in connection with this Contract.

- 32. Warranties and Representations.** Contractor represents and warrants to the State that:
- a. it will perform all Services in a professional and workmanlike manner in accordance with best industry standards and practices for similar services, using personnel with the requisite skill, experience and qualifications, and will devote adequate resources to meet its obligations under the applicable Statement of Work;
  - b. the Services and Deliverables provided by Contractor will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party;

- c. it has the full right, power, and authority to enter into this Contract, to grant the rights granted under this Contract, and to perform its contractual obligations;
- d. 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;
- e. it acknowledges that the State cannot indemnify any third parties, including but not limited to any third-party software publisher or hardware manufacturer. Notwithstanding anything to the contrary contained in any third-party license agreement or end user license agreement, the State will not indemnify any third-party provider for any reason whatsoever during the term of this Contract, and Contractor will assume any State indemnification obligations under any such license agreement or end user license agreement. Following termination or expiration of this Contract, the State will be solely responsible for obtaining a waiver of all indemnification obligations contained in any third-party license agreement or end user license agreement;
- f. it 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 considered a material breach of this Contract, which entitles the State to terminate this Contract under **Section 22**, Termination for Cause.

- 33. **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 Services in connection with this Contract.
- 34. **Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.
- 35. **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.
- 36. **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.

37. **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.
38. **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 Services from other sources.
39. **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.
40. **Dispute Resolution.** The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to each party's respective Contract Administrator. Such referral must include a description of the issues and all supporting documentation. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.
- Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely, or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Contract.
41. **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.
42. **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.
43. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
44. **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.
45. **Entire Agreement.** This Contract, including the Statement of Work, constitutes the sole and entire agreement of the parties to this Contract with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, both

written and oral, with respect to such subject matter. In the event of any conflict between the terms of this Contract and those of the Statement of Work or other document, the following order of precedence governs: (a) first, this Contract; (b) second, the Statement of Work; (c) third, attachments and exhibits to the Statement of Work. **NO TERMS ON ANY INVOICE, QUOTE, ORDERING DOCUMENT, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE SERVICES, DELIVERABLES (INCLUDING SOFTWARE AND HARDWARE) OR DOCUMENTATION, WHETHER BY CONTRACTOR, SUBCONTRACTOR, OR ANY THIRD-PARTY SOFTWARE PUBLISHER OR HARDWARE MANUFACTURER, WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE OR ANY AUTHORIZED USER FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE, EVEN IF ACCESS TO OR USE OF SUCH SERVICE, DELIVERABLE (INCLUDING SOFTWARE AND HARDWARE) OR DOCUMENTATION REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.**

## **EXHIBIT A STATEMENT OF WORK**

### **1.0.1 PURPOSE**

The State of Michigan (State), through the Michigan Department of Technology, Management & Budget (DTMB) has issued this contract to procure IT hardware as identified below:

- IT Hardware (including OEM Software), hardware maintenance, & associated assessment, installation, integration, and implementation services purchased through the Contract(s).

### **1.0.2 BACKGROUND**

The State maintains a Master Computer Contract Program (MMCP) to support and facilitate IT procurement, through a combination of Value-Added Reseller (VAR) and manufacturer-direct contracts.

The State of Michigan currently has over 55,000 end-user devices within its infrastructure. Where practicable, the State has standardized a four (4)-year refresh rate for desktop and laptop hardware.

The State of Michigan currently has physical servers within its infrastructure. The majority of these servers are located within the State's hosting centers, with the remainder located in varying locations within Michigan. These servers currently are used to host enterprise applications, enterprise web services, virtual hosting, as well as network file and print services for all State Departments. The size and configuration of these servers vary according to purpose and function. The majority of servers utilize the enterprise solutions for storage and backup. The State supports many server-based operating systems, including Windows (varying levels), AIX, UNIX, and Linux.

Currently, the State has standardized Dell and Lenovo for End-user hardware devices (desktops, laptops, and tablets). The State has standardized Dell, HP, Oracle, Cisco, and IBM for Server Hardware. APC is the State's current standard for server racks.

The State reviews manufacturer and product standards on a yearly basis.

### **1.0.3 IN SCOPE**

The State reserves the right to refresh the vendor pool (increase or decrease) annually as it sees fit in the best interest of the State.

Contractor, at the State's request, will provide:

- End-User Devices, servers, racking infrastructure, storage, back-up and associated peripherals including any bundled software.

- Assessment, integration, installation, and implementation services in support of the commodities purchased through the resulting contract(s).

Warranty and maintenance services will be provided on all equipment that is offered and purchased or leased through the resulting contracts. Delivery, support, warranty and maintenance may be provided by the Contractor using subcontractors. The Contractor will be responsible for the timeliness and quality of all services provided by individual subcontractors.

The Contractor will deliver to locations requested by the State. An estimated 90% of deliveries are to the Lansing, Michigan area.

Warranty and Maintenance purchased prior to the effective date of this Contract will remain with the prior Contractor. Only new services will be purchased through this Contract.

Contracts must be available to the State's MIDEAL Program. This program allows local government partners to use State contracts for their procurement needs. The value of MiDEAL procurements will count toward the State's aggregate purchase volume for purposes of calculating volume discounts.

#### **1.0.4 OUT OF SCOPE**

The following are out of the scope:

- End-user Training (Desktop Application commodity product training required by the State.)
- Staff Augmentation Services as it relates to consultants and specific tool sets not mentioned in this Contract.
- Software Development
- Professional services for hardware or software not purchased through the Contract(s)

#### **1.0.5 REQUIREMENTS/DELIVERABLES FOR ALL PRODUCTS**

Contractor must provide State-approved products and services. The State must approve all additions, deletions, or changes to the State-approved products. Contractor must notify the State of any changes to these products.

At the State's request Contractor will source and quote new products and services, including one-time purchases and additions to the Catalog.

Contractor, upon commercial announcement of new components that can be technically and economically substituted or added for/to items listed in the current Product Web Catalog, will offer said items for addition or substitution to the Product Web Catalog. These item(s) may be accepted at the option of the State, provided at least equivalent performance with economic benefits or significantly enhanced performance at no

additional cost per unit of capability accrues to the State.

Within the Contract's allowable scope, Contractor will provide all available products and services to MIDEAL members at their option.

### **1.0.5.1 ERP Integration**

#### **1.0.5.1.1 ITRAC**

The State currently has an Intranet web application, ITRAC, which is used for standard product identification. Contractor must provide a file that contains the standard commodities that are ordered by the State.

The following requirements must be met for integration with ITRAC:

- 1) Catalog file is a text file (flat file) with data elements delimited by tab characters,
- 2) Contractor will provide incremental updates to the catalog received daily (Monday-Friday 6 PM EST)
- 3) A full load file will be received weekly (Friday 6 PM EST)
- 4) The file will be transferred to the State Data Exchange Gateway using FTP.
- 5) The length of "Description" field will be kept under 255 characters.
- 6) The catalog file structure/format may be changed as a new design is implemented in the ITRAC system.
- 7) The Description file must support the addition of a 4 character identification code used to match commonly purchased items. Example: "E01-"
- 8) Required data elements are:
  - OPERATION\_CODE
  - ITEM\_NUMBER
  - MANUFACTURER
  - DESCRIPTION
  - CATEGORY
  - SKU
  - PRICE
  - AGENCY\_APPROVED

#### **1.0.5.1.2 SIGMA Integration**

The State utilizes a State-wide Integrated Governmental Management Applications (SIGMA) ERP System, which is based on the CGI Advantage suite of applications.

Contractor must provide the State a file for all standard products and associated detail as required by SIGMA (current example below).

Contractor must, at no additional cost to the State, provide a State Web Portal and integrate it with the States ERP Solution when the State migrates purchasing operations to the new system. Contractor will work with the State's identified ERP migration project team to obtain specific integration requirements. The Contractor will supply a catalog for products available under the Contract, which will reflect real-time product inventory, pricing, and availability information.

Contractor will grant the State and the State’s authorized ERP provider a non-exclusive, limited license to use, reproduce, transmit, distribute, and publicly display within the ERP Solution the Contractor’s punch-out catalog-site, including all of Contractor’s trademarks, service marks, logos, trade dress, or other branding designation of Contractor that identifies the products made available under the Contract.

Header	Field Type	Character or Field Information	Notes
VENDOR CUSTOMER CODE	Required	Must be valid SIGMA vendor code (alpha-numeric: 9 characters)	Must be same for entire file, if you have not registered in SIGMA VSS please leave blank
SUPPLIER PART NUMBER	Required	Alphanumeric: 60 characters max	Must be Unique for each line item
SUPPLIER NAME	Required	Alphanumeric: 60 characters max	If entered must be the same for entire file
MANUFACTURER NAME	Optional	Alphanumeric: 60 characters max	
MANUFACTURER PART NUMBER	Optional	Alphanumeric: 60 characters max	
COMMODITY CODE	Required	Must be valid SIGMA COMM code: 3, 5, 7 digit	Must be same for entire file
ITEM DESCRIPTION	Required	Alphanumeric: 60 characters max	
EXTENDED DESCRIPTION	Required	Alphanumeric: 1500 characters max	
UNIT OF MEASURE	Required	Must be valid entry on SIGMA Unit of Measure table	Unit of measure must be from unit of measure tab (Use information in code field not description)
LIST PRICE	Required	6 digits past the decimal	Price must have 6 digits past the decimals (for example - \$20.000000)
DELIVERY DAYS	Required	Required	Enter in number of days from order when delivery is required (Can be business or calendar days). Do not enter any text.
PRODUCT/CATEGORY	Optional	60 characters max	
MODEL	Optional	60 characters max	
DRAWING	Optional	60 characters max	
PIECE	Optional	60 characters max	
SERIAL NUMBER	Optional	60 characters max	
SPECIFICATION	Optional	60 characters max	
SIZE	Optional	60 characters max	
COLOR	Optional	60 characters max	
PICTURE FILE NAME	Optional	IF there is a picture file this is required	State of Michigan will not be utilizing the functionality at this time
THUMBNAI FILE NAME	Optional	IF there is a picture file this is required	State of Michigan will not be utilizing the functionality at this time
EXTERNAL SUPPLIER ID	Optional	60 characters max	
CUSTOMER PRICE	Optional	6 digits past the decimal	Price must have 6 digits past the decimals (for example - \$20.000000)
SUPPLIER URL	Optional	Optional	
MANUFACTURER URL	Optional	Optional	
PARAMETRIC NAME	Optional	Optional	
PARAMETRIC DATA	Optional	Optional	
PUNCH OUT ENABLED	Optional	If this is a PunchOut catalog set to TRUE Optional - can be 1, 2, or 3 depending on the PunchOut level	Vendors should leave this field blank
PUNCH OUT LEVEL	Optional	Optional - 60 characters	Vendors should leave this field blank
TERRITORY AVAILABLE	Optional	Optional - 60 characters	
SUPPLIER AUXILIARY ID	Optional	Optional - 60 characters	
MISC DATE 1	Optional	Optional/Date	
MISC DATE 2	Optional	Optional/Date	
MISC DATE 3	Optional	Optional/Date	
MISC AMOUNT 1	Optional	Optional - 6 digits past the decimal	

### 1.0.5.2 MIDEAL WEB PORTAL

Contracts must be available to members of the State’s MiDEAL Program. This program allows local governments and other authorized entities to use State contracts for their procurement needs. The State does not restrict what products and services are available through MiDEAL, so long as they meet the Contract’s scope. As a result the Contractor will need to provide a separate, web-based, secure MiDEAL catalog and portal. Contractor’ MiDEAL Web Portal will provide to the State on-line, searchable reports on the business conducted through the contract to MiDEAL members. Please see Sections 11 and 12 of the Terms and Conditions.

The State will provide the Contactor guidelines on how to provide reporting.

The value of MiDEAL procurements will count toward the State’s aggregate purchase volume for purposes of calculating volume discounts.

### **1.0.5.3 ORDER PROCESS**

#### **1.0.5.3.1 ORDER PROCESSING**

Upon receipt of an approved, executed order, Contractor will fully validate the order to make sure that each product is still valid and that each price is correct. If any order contains incorrect information, Contractor must notify the State.

#### **1.0.5.4 SUBSTITUTIONS**

Substitutions may be made when the product is not available because the manufacturer has discontinued its production or due to a documented product constraint.

Contractor must offer an equivalent or better substitute at or below the original price, with the State's permission. The offering being substituted must be from the same manufacturer as the product that is discontinued or unavailable.

Contractor must provide the State with written documentation substantiating the need for substitution and that the requirements are met by the product being substituted. The State will review the information submitted and determine in its sole discretion whether substitution is acceptable.

#### **1.0.5.5 DELIVERY**

The Contractor must deliver the product(s) as listed on the State's order. Unless otherwise specified within an individual order, the following are applicable to all orders issued under this Contract. Specific delivery metrics and Service Level Agreements (SLA's) are detailed in Section 1.0.13 Contract Performance, below.

Products purchased and services performed under this contract must be delivered to a F.O.B. Destination specified by the State upon issuance of individual purchase orders. The location will be specified at time of delivery. The Contractor is responsible for ensuring the products are transported from the delivery vehicle to the delivery point specified.

Contractor must provide the following delivery options:

- Standard Delivery, meaning where the product is delivered to a fixed delivery point (such as a State Warehouse) and State employees perform the unloading of the truck for the logistics company. Loading dock is available.
- Inside Delivery, meaning where the product is delivered to a location inside of a State building location. Contractor's logistics company is responsible to unload the delivery vehicle. Loading dock may or may not be available.
- Deskside Delivery, meaning where the Contractor's logistics company delivers the product directly to the end users' desk location within a State building. Loading dock may or may not be available.

Contractor must have the ability to provide staged delivery per the state's request and specifications.

Items will not be considered delivered if they are refused due to damage or otherwise considered not to meet original order specifications.

Contractor must provide options to the State for Overnight and Second Day delivery.

#### **1.0.5.6 SHIPMENT NOTIFICATION**

Contractor must e-mail a daily shipping report detailing all items that were shipped to the State of Michigan in the format outlined in section 1.0.8.1.1.

#### **1.0.5.7 ACCEPTANCE CRITERIA FOR DELIVERY**

The State will consider products accepted when delivery of product is made to the specified delivery address, complete packing slips with applicable serial numbers are provided to the State, and equipment passes inspection. Equipment discovered to be damaged, defective or failing to conform to the specifications may be rejected upon initial inspection or at any later time if the defects contained in the equipment or non-compliance with the specifications was not reasonably ascertainable upon initial inspection.

Contractor will not invoice for equipment, and the State will not authorize payment of invoices, until both of the above conditions have been met.

At the discretion of the State, Contractor will be required to provide a copy of the signed receiving documents before payment will be authorized.

**Contractor must ensure the State of Michigan order document number is clearly displayed on the package. The State has the right to refuse the order, at no cost to the State, if the order document number is not displayed.**

#### **1.0.5.8 PACKAGE LABELS AND PACKING SLIPS**

##### **1.0.5.8.1 BAR-CODING**

Bar-Coded Information – The following information will be required on the vertical face of packages containing IT assets in a standard bar code format:

- a. State of Michigan Document Order Number
- b. Model Number(s)
- c. Serial Number(s)

The data for each field must be in standard print beside/above/below each bar code.

#### **1.0.5.8.2 PACKING SLIPS**

Contractor must provide a packing slip for each physical shipment. The packing slip must display:

- a. Purchaser's Name (Procurement Liaisons name)
- b. Ship to address
- c. Order Date
- d. Shipped from (Vendor) information
- e. Shipping Carriers Name
- f. Carriers Tracking Number
- g. Date Shipped
- h. Total Number of Packages
- i. State Document Order Number
- j. Item / Part Number
- k. Line item description
- l. Quantity ordered
- m. Quantity included in shipment (of total quantity ordered)
- n. Any back order items and date they will be filled
- o. Equipment serial number

#### **1.0.5.9 RETURNED PRODUCTS**

##### **Delivery Errors**

The Contractor must provide a product return process that protects the State from any financial obligation and/or costs arising from the delivery of incorrect or wrong and damaged products. This must cover Dead on Arrivals (DOA), damaged products, duplicate deliveries, and incorrect product deliveries.

##### **Returns or Amendments at State's Request**

Contractor must provide an order cancellation and amendment process that will allow the State to return products up to 25 business days from the date of receipt. The State may cancel an order prior to shipment at no cost.

#### **1.0.5.10 PRODUCT RECALL NOTIFICATIONS**

Contractor must provide prompt notice to the DTMB Program Manager in writing of any product recall within three business days.

#### **1.0.5.11 PRODUCT END OF LIFE NOTIFICATION AND PROCESS**

Contractor must notify DTMB Program Manager as soon as possible whenever any awarded state standard product is going end of life. Contractor must provide a product roadmap for potential replacement/alternative product. Contractor must notify the State of any orders that will not be fulfilled.

#### **1.0.5.12 PROCESS FOR OBTAINING QUOTES**

Contractor must provide a quoting service for products and services ("Quote Desk"). The Quote Desk must also be available in the event of an emergency situation. The Quote Desk must facilitate the State's communication with OEM's and Publishers so that the

State may uniquely configure hardware and software solutions, obtain technical guidance or expertise, and any other information needed for the basis of quotes.

All quotes, except quotes for servers and or server components from the major manufacturers, will be valid for a period of thirty (30) business days from the date the quote is received by the State. Any promotional discounts given for less than a 30 day period must be clearly reflected on the quote with the discount deadline date. The quote must also include the price after the discount period ends.

Quotes for servers and server components from the major manufacturers will be valid for a period of sixty (60) business days from the date the quote is received. Quotes will be subject to change if any quoted component becomes unavailable. Contractor will notify the State of this occurrence. Contractor must then submit a revised quote to the State to satisfy the request, along with explanation.

#### **1.0.5.13 END-USER DEVICES**

The State identifies standards for desktop, laptop and tablet systems bundles/solutions. These are typically reviewed on a yearly basis or as market conditions dictate. The State intends to have end-user device solutions in place for a minimum of six months with a maximum of 2 configuration changes per year.

Contractor will meet the following requirements:

1. Equipment that has not yet entered the production phase of the manufacturer must not be included in the Contractor portal.
2. The equipment must include associated hardware and OEM software that will allow the operation of the product as a stand-alone unit, a networked unit in a local area network (LAN), a networked unit in a wide area network (WAN), wireless applications or any combination of the four.
3. Where the State does not require an OEM operating system software license, the State expects a decrease in the packaged unit price of the end-user device.
4. Contractor must be able to furnish all leading industry manufacturer models and configurations such as; Dell, Lenovo, Microsoft, HP, Acer etc. For a list of current State standards please visit [https://www.michigan.gov/dtmb/0,5552,7-358-82550\\_85746\\_48677-108231--,00.html](https://www.michigan.gov/dtmb/0,5552,7-358-82550_85746_48677-108231--,00.html).

Once technical scoring is completed, all Bidders passing technical with a score of 80 or higher will be required to provide pricing for models and configurations provided by the State.

In addition to the State's standard desktop and laptop models, Contractor will be required to furnish the complete product line of Non-Standard End-user devices.

8. As part of on-going product refresh, Contractor will provide new product models of equivalent or superior function relevant to end of life models. Contractor will inform the MMCP Manager of any product refresh in advance. The MMCP Manager will advise Contractor of the State's decision on configuration and pricing.
9. Contractor will provide warranty coverage for all End-user devices purchased, or leased, per the following requirements:
  - a. Desktops and laptops shall be a minimum of onsite, four (4)-years parts and labor and expense warranty, with next business day repair, including defective media retention (DMR)/keep your hard drive (KYHD) and must be included in the purchase price of all equipment. All repairs and component replacements must be performed by the Warranty Provider.
  - b. The Contractor will provide manufacturer-certified systems engineers, in adequate numbers, to provide support for the State's infrastructure for warranty service and any support required. These engineers must be able to be reached by phone via the toll-free number for problem resolution, and should be able to be onsite within the time frame indicated under the warranty or maintenance service purchased.
  - c. It will be the responsibility of the Contractor to complete warranty requests and to notify the State of service completion, either directly or through a third party provider. Contractor or a designated subcontractor must be a manufacturer's authorized service representative for all equipment on the Contract.
  - d. The Contractor will serve as an agent for the State in obtaining the best (in terms of coverage, pricing, and duration) warranties available and work with manufacturers so that warranty commitments are met.
  - e. All standard warranty costs, excluding any upgrades or extensions, are to be included with the equipment prices.
  - f. State offices are dispersed geographically throughout Michigan. Contractor will provide warranty and/or maintenance services at all State locations, including the Upper Peninsula and State Correctional Facilities.
  - g. Principle Period of Maintenance (PPM) will be the same hours as the State's normal working hours (currently Monday through Friday, 8:00 a.m. to 5:00 p.m., excepting State-observed holidays). The principle period of maintenance hours may be changed upon 20 business days written notice by mutual agreement (between the individual State agency and the Contractor), except that the Contractor must make every reasonable effort to change its schedule in a shorter period of time, if requested by the State.
  - h. All defective items must be replaced at no additional cost to the State. All equipment dead on arrivals (DOAs) will be replaced with new equipment and

treated as a Second Day Rush order delivery at no additional cost to the State or, at the State's option, Contractor will repair the equipment per the terms of the equipment warranty.

The DTMB Client Service Center (CSC) will determine to their best ability the root cause of the failure. The CSC will then notify the Contractor, who will then take ownership of the cases and provide the CSC with a tracking number. The Contractor will include the DTMB tracking number in its information. The Contractor will maintain status information within its case log and notify the CSC using the DTMB tracking number when repair is completed.

Equipment that cannot be repaired within the response time frame must be replaced. Replacement equipment provided by Contractor must be from the same manufacturer (unless the device is no longer manufactured) and equal to or better than the original equipment being replaced (e.g. higher resolution monitor, or larger hard drive) at no additional cost to the State.

Defective hard drives that have been in use by the State, regardless of warranty or maintenance status, will not be returned to the manufacturer or the Contractor at completion of replacement due to security issues. DTMB will provide, at contract signing, the procedure for handling defective drives.

#### MIDEAL End-User Device Purchases

Contractor will be required to furnish models available to the State as well as other desktop manufacturers to MiDEAL members as long as those manufacturers are appropriate to this Contract.

#### **1.0.5.14 PERIPHERALS**

Peripherals include but are not limited to monitors, storage, keyboards, uninterruptible power supplies (UPS), optical drives, mice, keyboards, multi-media projectors, memory, speakers, hard drives, GPS receivers, digital cameras, CAD equipment, and Adaptive/Assistive technology devices. Peripherals are manufacturer-dependent and too numerous to list on the cost model.

Contractor will furnish peripherals to support the desktop, laptop, and tablet manufacturer models that are offered throughout the Contract's term.

Peripherals will be covered under the manufacturer's warranty.

#### **1.0.5.15 END-USER DEVICE ASSET TAGGING**

Each end-user device delivered to the State, will be tagged with the following information:

State of Michigan

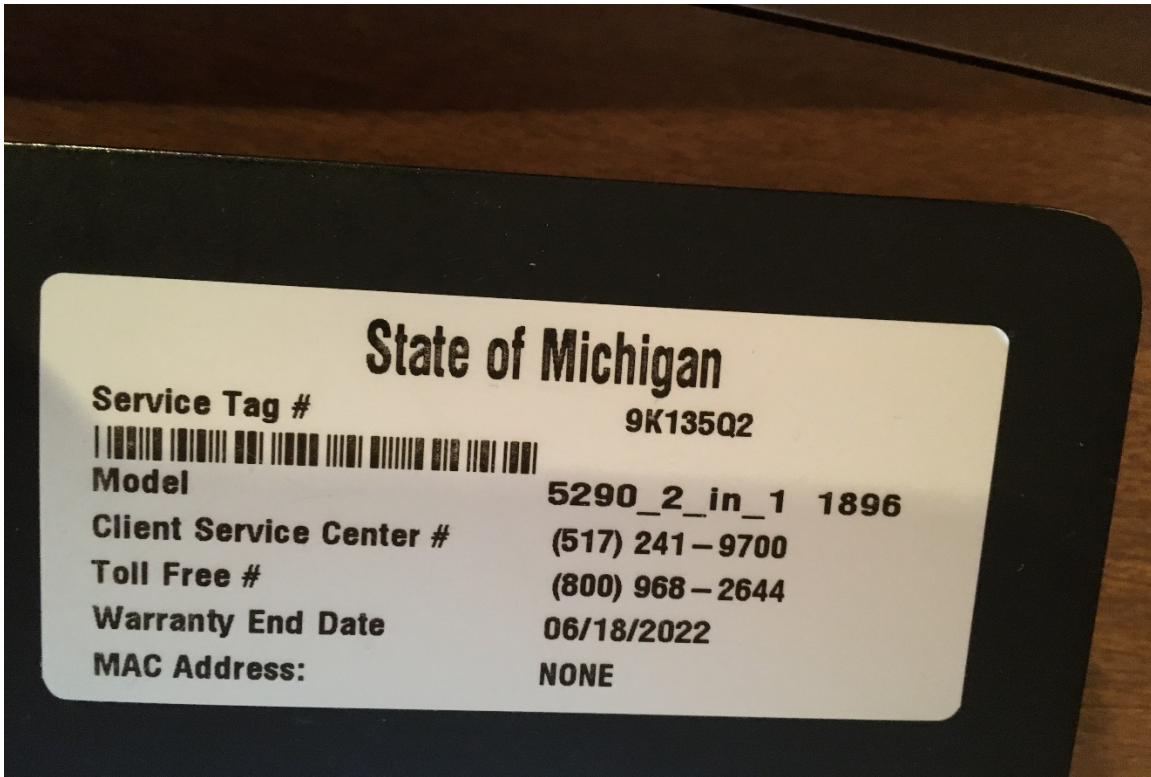
Bar Code	“Service Tag”
Service Tag #	Serial Number
Model #	Model No. per manufacturer
Client Service Center #	(517) 241-9700
Toll Free #	(800) 968-2644
Warranty End Date	mm/dd/yyyy
MAC Address	Device’s MAC Address

Service Tag # = Serial Number

Model = Model number per manufacturer.

Phone Numbers furnished by State and constant on all tags.

An example of an existing State asset tag follows here:



**1.0.5.16 STATE HARD DRIVE IMAGE**

Contractor or their original equipment manufacturer (OEM) will load State-approved images to any requested system hard drive during the factory build process. Contractor will provide the following services:

- Receive, install and manage State-supplied images
- Provide technical resources to support DTMB, test, identify and resolve problems.

Contractor will furnish a device drivers and utilities as needed to perform image development.

System images will be created and maintained by DTMB and uploaded to manufacturer. These images must not be changed or altered in any fashion except in instances of DTMB approval.

#### **1.0.5.17 EVALUATIONS UNITS**

Contractor will provide DTMB evaluation units of new computer models as they come into existence, without initial cost, for analysis and image adjustment, for a time frame not less than 60 business days. DTMB will return or take an option to purchase the device at the end of the evaluation period.

#### **1.0.5.18 SERVERS**

The State determines standard Server brands and technologies it uses according to its Technology Roadmap.

#### **1.0.5.19 CORE SERVER BRANDS**

Core server brands are those State-standard brands for which a contract resulting from this Contract will become the State's primary procurement vehicle for those products. Contractor will provide hardware, maintenance, and onsite field engineer support for Dell, HP, and IBM servers. Additionally, Contractor will provide hardware, maintenance, and support for APC racks.

Contractor will provide the following server warranty options detailed in the Bidder Response Box below:

- Onsite 2 hour response; 7x24 coverage with 6-hour resolution
- Onsite 4-hour response; 7X24 coverage
- Onsite 8-hour response; 7x24 coverage
- Next Business Day Onsite

At the State's request, the Contractor must furnish manufacturer extended warranties (beyond the originally purchased warranty), warranty upgrades, and time and materials warranty support through the equipment manufacturers or third party providers. Manufacturer's extended warranty service may be purchased in conjunction with or separately at any time. Only Contractors authorized by the manufacturer or distributor of the equipment may provide manufacturer's warranty services. Extended warranties must be inclusive of the services provided under the State's normal warranty process.

Defective hard drives that have been in use by the State, regardless of warranty or maintenance status, will not be returned to the manufacturer or the Contractor at

completion of replacement due to security issues. DTMB will provide, at contract signing, the procedure for handling defective drives.

#### 1.0.5.20 OPTIONAL SERVER BRANDS

The State has existing contracts for Cisco and Oracle Servers and Network Storage. The State is interested in options Contractor may provide to procure these solutions.

#### 1.0.5.22 CISCO SERVERS

Contractor will provide the State Cisco servers, along with maintenance, access to onsite field engineer support, and installation, integration, and implementation services.

#### 1.0.5.23 ORACLE SERVERS

The State may procure Oracle servers, along with maintenance, access to onsite field engineer support, and installation, integration, and implementation services, through this Contract.

#### 1.0.5.24 LENOVO SERVERS

The State may procure Lenovo servers, along with maintenance, access to onsite field engineer support, and installation, integration, and implementation services, through this Contract.

#### 1.0.5.25 CUSTOMER-PREMISE TELECOMMUNICATIONS AND SECURITY SOLUTIONS

The State is currently exploring options to obtain customer-premise telecommunications and security hardware and software, and associated services including but not limited to; network routers and switches, network management hardware and software, warranty maintenance, pre-sales support, and installation, integration, and implementation services. IP video, IP telephony, and unified communications hardware and software are considered network components. The State may procure these solutions through, including maintenance, support, and services, this Contract.

### **1.0.6 ENGAGEMENT STATEMENT OF WORK PROCESS**

Unless where otherwise specified, Engagement Statements of Work (SOW) shall be used to define engagement-specific services. Services purchased from this contract must comply with the Contract's allowable scope.

At the State's request, the Contractor will develop and propose in writing a solution, including price that will be valid for 30 business days. Cost structures for all SOW's will be outlined outlined in the Engagement Statement of Work.

DTMB will execute the final Engagement Statement of Work along with a document order.

### **1.0.7 LEASING**

Contractor will provide options to lease products to the State, which will include acquisition, installation, maintenance, removal and disposal. Lease options may be either capital or operational. Lease options will be consistent with Governmental Accounting Standards Board (GASB) standards.

### **1.0.8 REPORTS**

Contractor must publish the following reports in a Web portal for authorized users, and make available as identified below, and update at minimum according to the frequencies listed below. All reports must be exportable to common formats from the Web portal.

#### **1.0.8.1 DAILY/WEEKLY REPORTS**

##### **1.0.8.1.1 Shipping Report**

The Contractor must provide a daily shipping report that details the following information on an individual PO line item basis. Items with serial numbers must be on individual lines of the report.

- Ship To Location
- Address
- City
- Zip
- Shipper Tracking Number
- Service Tag
- State Document Order Number
- Agency
- Category (Server, Desktop, Laptop, Tablet, Software)
- Model / Title
- Quantity
- Unit Price
- Ship Date
- Manufacturer Part#
- Contractor PO Number
- Shipment Carrier
- Agency Code
- Manufacturer/Publisher Name
- Manufacturer Order#
- Expected Delivery Date
- MMCP Vendor Name

##### **1.0.8.1.2 Open Order Report**

Contractor will provide a daily report of all open orders that details the following information on an individual order basis. The report will include:

- State Document Order#
- Contractor PO#
- Product Description
- Quantity
- OEM Part#/SKU#

##### **1.0.8.1.3 Delayed Order Report**

Contractor must provide a weekly delayed order report for all orders that are not going to be fulfilled within the States required SLA. The report will include:

- State Document Order#
- Contractor PO#
- Product Description
- Quantity
- OEM Part#/SKU#
- Reason for delay
- Estimated delivery

### **1.0.8.2 MONTHLY REPORTS**

Contractor will provide the following reporting solutions:

#### **1.0.8.2.1 Monthly Contract Updates on Prices/Products**

Contractor must provide a monthly contract update to the State as prices and products change. Any update will state:

Changes (product additions/deletions, State price changes, manufacturer's part numbers changes, etc.) that have occurred since the last monthly contract update and must include the following items:

1. Manufacturer's part number, description, State price, type of change, and explanation.
2. Manufacturer/Contractor web address for more detailed product information,
3. Price for added products

#### **Vendor Activity Report**

Contractor will provide a monthly report of all activities transacted under the contract, which will include:

- Document Orders Processed
- Document Orders Fulfilled, including days to delivery
- New OEM's Provided
- Invoices Issues
- Invoices Paid
- Quotes Requested and Provided, including days to provide

#### **Aged Receivable Report**

Contractor will provide a monthly report of all past-due State invoices for payment under the contract, which will include:

- Invoice Number
- Purchase Order Number
- Invoice Issue Date
- Invoice Due Date

- Days Past Due
- Invoice Status

### **DOA Report/Warranty Report**

Contractor will provide a monthly report of all products noted as Dead On Arrival (DOA), whose delivery was refused.

- SOM Document Order Number
- Product Description
- Manufacturer Name (Dell, HP, Lenovo, APC, Oracle, etc.)
- Model Number
- Product Category (Desktop, Laptop, Tablet, Server, etc)
- Serial Number (Vendor Unique Service Tag Number) from Replaced PC
- Warranty End Date
- New Serial Number
- Incident Date
- New Order Ship Date
- Problem Description

### **1.0.8.3 Asset Report**

The Contractor must transmit a file that interfaces with the State's asset management system, Information Technology Asset Management (ITAM), and the State Data Center's Configuration Management Data Base process, for asset reporting at no additional cost to the State.

#### **1.0.8.3.1 Hardware Asset Report**

- |                               |                                   |
|-------------------------------|-----------------------------------|
| • Ship To Location            | • Category (ex: Server, PC)       |
| • Address                     | • Ship Date                       |
| • Service Tag                 | • Agency Code                     |
| • State Document Order Number | • Warranty/Maintenance Start Date |
| • Agency                      | • Warranty/Maintenance End Date   |
| • Model                       |                                   |

### **1.0.8.4 QUARTERLY AND ANNUAL REPORTS**

Contractor must report, within ten (10) business days of the end of each quarter the following summary reports:

- Metrics and SLA Summary, showing all SLA's (for each unmet SLA, detailed explanation must be provided)
- Warranty and Maintenance Services Summary, including % of services that met SLA
- Quarterly Purchases Volume, including breakdown by Top 20 OEM's
- MiDEAL Members Purchase Volumes
- Lease Report, detailing initiation and expiration
- Warranty, Maintenance, & Subscription Expiration Report, up to six months in

advance.

- State administrative fees collected and payable

The State may require new or different reports over the Contract's term. Contractor will work with the State to revise reports.

Contractor will provide the following annual reports

- SLA Report
- Active Service Engagements
- Annual Purchase Report – Must include the following for all sales; all publisher information, all State order information (DOIT1, PO etc.), each product, total product quantity and total product cost by order. Report must be provided annually (and upon request) in excel format.
- Annual Lease Volumes
- MiDEAL members Purchase Volumes

#### **1.0.8.5 AD-HOC REPORTS**

Contractor will provide the ability to generate electronic reports using a report template or other easy to use query tool. Reports must be electronic in the State-requested format. These reports will be made available free of charge as often as needed by the State.

#### **1.0.8.6: REPORT DASHBOARD**

Contractor must provide an online dashboard through their Portal that will show the following reports, which must be updated monthly:

- Metrics and SLA's
- Volume of End-user Devices ordered by category
- Volume of Servers ordered by manufacturer
- Program Activity Volume:
  - Number of orders
  - Number of quotes
  - Number of SOW's
  - Dollars Spent
  - Savings realized in relation to the proposed cost model

#### **1.0.9 CONTRACTOR STAFF, ROLES & RESPONSIBILITIES**

The Contractor is responsible for:

- Monitoring and proactively resolving issues with delivery dates, quality of products/services, mean time between failure after repairs, billing/invoicing, and other service level agreements.
- Notify the MMCP Manager and Financial Services as soon as it is known that products are constrained or otherwise unavailable.
- The Contractor, its subcontractors and subcontracted staff must comply with all security standards and the security access requirements for individual State facilities.

The State may, at its sole expense, conduct a background check of any Contractor resource who is proposed to perform services under this Agreement at a State site, provided that the background check complies with all applicable local, state and federal laws. The State will notify Contractor whether the Resource has or has not passed the background check. No other information, including any detail about the checks performed or results obtained, will be provided to the Contractor. If the State notifies Contractor that the resource has not passed, Contractor will not assign that resource to perform the services. The State will treat any such information provided by, and/or obtained about, a resource as part the background check process as Confidential Information.

### **1.0.9.1 Technical Support**

The State reserves the right to obtain OEM/Publisher technical support for all products and services on this contract.

### **1.0.9.2 Key Personnel:**

The State has identified the following as **key personnel** for this project:

1. Single Point of Contact (SPOC)
2. Contract Program Manager (CPM)
3. Contract Transition Manager

- **Single Point of Contact (SPOC)**

The Contractor will identify a SPOC for State and MIDEAL authorized personnel to call to obtain order and delivery statuses and to resolve issues (such as configurations, price, returns, inquiries, delivery status questions, etc.), billing/invoicing issues, warranty work, technical advice and remedial maintenance. Access to the SPOC will be provided through a toll free line to the State and MiDEAL Members. This SPOC will be available after business hours for issue escalation.

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

- **Contract Program Manager (CPM)**

The Contractor will identify a **Contract Program Manager (CPM)** to oversee all aspects of the contract including the management of all vendor personnel. The CPM will work closely with the designated personnel from the State. The CPM will coordinate all of the activities of the Contractor personnel assigned to the project and create all reports required by State. The CPM to oversee all aspects of the statewide contract for the commodity awarded, including the management of all customer representatives and personnel identified in Contractor's proposal. The CPM's responsibilities include, at a minimum:

- Manage Contractor's subcontractors
- Develop the initial project plan and schedule, and update as needed for the contract implementation and administration of the contract.
- Serve as the point person for all project issues
- Coordinate and oversee the day-to-day activities of the contract team

- Assess and report project feedback and status
- Escalate issues, risks, and other concerns
- Review all deliverables and provide feedback
- Proactively propose/suggest options and alternatives for consideration
- Utilize change control procedures
- Prepare documents and materials

### **Contract Transition Manager**

Contractor will identify a Contract Transition Manager to oversee all aspects of transition and implementation of the Contract as described in Section 1.0.12. The Contract Transition Manager will remain Key Personnel until successful transition to operations of all Contract activities. Likewise, Contractor will identify a Contract Transition Manager as Key Personnel to oversee all aspects of transition at Contract's end, as described in 1.0.12.

### **Organizational Chart**

The Contractor will provide, and update when changed, an organizational chart indicating lines of authority for personnel involved in performance of this Contract and relationships of this staff to other programs or functions of the firm. This chart must also show lines of authority to the next senior level of management and indicate who within the firm will have prime responsibility and final authority for the work.

Contractors must include an organization chart and a thorough narrative describing how the Contract will be supported from senior management down to field technicians including the use of any wholly-owned subsidiaries or subcontractors.

### **1.0.10 ROLES & RESPONSIBILITIES OF THE STATE**

State will assign a Program Manager or designee as a single point of contact for all communications. The Program Manager or designee will:

- Serve as the State's Point of Contact between the Contractor and all other individuals participating in this contract.
- Review and approve Contract(s) product and support offerings including service levels, delivery times, performance metrics, cost basis and price.
- Act as the authority for determining compliance with SLA's.

### **1.0.11 CONTRACT PROGRAM IMPLEMENTATION**

The Contractor will provide sufficient staff that will have explicit responsibility for the administration of this contract(s) along with responsibility for planning all contract transition start up activities, day-to-day contract processes, and the subsequent transitional activities at the end of this contract.

### **1.0.12 TRANSITION PLAN AT THE END OF THE CONTRACT**

Along with all requirements and responsibilities specified in Section 24 of the Contract Terms and Conditions, Contractor will provide:

- **Transition Plan.** The Contractor will work together with the State and/or a Third Party Provider to develop a transition plan (the “Transition Plan”) setting forth the respective tasks to be accomplished by each Party in connection with the Transition and a schedule pursuant to which such tasks are to be completed. The Contractor will also participate in the execution of the Transition Plan by performing tasks mutually agreed upon in the development of the Transition Plan.
- **Knowledgeable Personnel.** The Contractor will make available to the State or the Third Party Provider knowledgeable personnel familiar with the operational processes and procedures used to develop products and services to the State.
- **Single Point of Contact.** The Contractor will maintain a Single Point of Contact (SPOC) for the State after termination of the contract until all product and service obligations have expired.

### 1.0.13 CONTRACT PERFORMANCE

#### 1.0.13.1 METRICS

The Contractor and the State of Michigan will establish procedures to manage all the service providers to be used under this contract. The State and the Contractor will monitor performance throughout the course of this Contract.

The Contractor will monitor the performance and coverage of all warranty and maintenance services. In addition to monitoring of repair cases, the Contractor will meet regularly with service providers to discuss performance metrics, issues affecting the industry or clients, new initiatives, and new innovations in technology. The primary focus is on making sure service commitments are met or exceeded.

Contractor will provide the Services according to the metrics detailed below. Metrics will be completed with the following operational considerations:

<b>I: Service Metric #</b>	<b>II: Service</b>	<b>III: State Minimum Metric</b>
A1	PC Delivery, No installation	10 business days, aggregate of all line item units delivered
A2	PC Delivery, with installation	15 business days, aggregate of all line item units delivered
A3	Commodity Server Delivery	15 business days, aggregate of all line item units delivered
A4	Custom-configured Server Delivery	20 business days, aggregate of all line item units delivered
A6	Non-Server Quote Delivery	3 business days from request

<b>I: Service Metric #</b>	<b>II: Service</b>	<b>III: State Minimum Metric</b>
A7	Server Quote Delivery	5 business days from request
A8	Engagement Statement of Work	
A9	PC Warranty & Maintenance	Next business-day response
A10	Server Onsite Warranty & Maintenance: critical	2-hour response
A11	Server Onsite Warranty & Maintenance: high	4-hour response
A12	Server Onsite Warranty & Maintenance: standard	Next business-day response

### **1.0.13.2 SERVICE LEVEL AGREEMENTS AND LIQUIDATED DAMAGES**

Contractor will report on a quarterly basis on all SLA's calculated from service metrics, which are defined below.

The Contractor acknowledges that late or improper completion of the Services will cause loss and damage to the State, and that it would be impracticable and extremely difficult to determine the actual damage sustained by the State as a result. If there is late or improper completion of the Services, the State is entitled to collect liquidated damages in the amounts designated for the following cases:

- Missed Service Level Agreements will be assessed the amounts detailed in Table 1.0.13.2-A below.
- Unauthorized Removal of Key Personnel will be assessed as detailed in the Contract Terms and Conditions Section 7: Performance of Services.

In the event the Contract is terminated, the State will be entitled to collect liquidated damages. These amounts are not intended to be a penalty.

<b>I: Service Metric#</b>	<b>II: Service</b>	<b>III: Quarterly SLA (% of purchase orders)</b>	<b>IV: Assessed LD</b>
A1	PC Delivery, No installation (hardware module)	95%	10% of order's late line item cost

<b>I: Service Metric#</b>	<b>II: Service</b>	<b>III: Quarterly SLA (% of purchase orders)</b>	<b>IV: Assessed LD</b>
A2	PC Delivery, with installation (hardware module)	95%	10% of order's late line item cost
A3	Commodity Server Delivery (hardware module)	95%	10% of order's late line item cost
A4	Custom-configured Server Delivery (hardware module)	95%	10% of order's late line item cost
A9	PC Warranty & Maintenance (hardware module)	95%	\$25 per late response
A10	Server Warranty & Maintenance: critical (hardware module)	95%	\$1,000 per late response
A11	Server Warranty & Maintenance: high (hardware module)	95%	\$100 per late response
A12	Server Warranty & Maintenance: standard (hardware module)	95%	\$25 per late response

#### **1.0.14 PRICING AND INVOICING REQUIREMENTS**

Contractor will provide product pricing to the State, based on a minimum percentage discount off a verifiable price index, which will be used to establish a product's not-to-exceed price to the State. Contractor may (and is encouraged) to provide additional discounts. Contractor must notify the MMCP Manager of any price increases before the change is made. The State reserves the right to negotiate individual transaction and agreement pricing, as it deems in its best interests. The State reserves the right to establish and use other contracts, as it deems in its best interests.

Contractor will be paid for services as identified in the State's issued Document Order. Payments for installation, integration, implementation and assessment services will be set according to an approved Engagement Statement of Work.

For bundled purchases of hardware, the Contractor must invoice for entire bundle once all items have shipped.

The State will conduct all bids to establish standard products and associated pricing. The pricing for standard products will remain consistent barring model changes until the next standard product bid.

Contractor must invoice the State in order to receive payment. Invoices must be sent to the State, to an identified receiver addressed, by email. The State will pay Contractor by EFT.

Contractor must provide the following data as part of all invoices, the absence whereof shall qualify as grounds for the State to reject the invoice for correction and resubmission:

- Invoice Number (unique)
- Invoice Date
- State Document Order Number
- Bill-To Address
- Ship-To Address
- Payment Terms
- Commodity/Service Name
- Description
- Unit/Deliverable Price
- Total Price
- Invoice Subtotal
- Shipping and Handling (if applicable)
- Total
- Invoice Payment Due Date
- Period of Service, if applicable

### **1.0.15 DISCRETIONARY HARDWARE**

The State at its option and based on its determination of best value may procure other Hardware through the Contract. This will be conducted through a quote process with final decision based on best value. Contractor will provide requested hardware, hardware maintenance, and support, if requested, as a request to add (See General Overview).

Hardware components or peripherals must also be available and may include, additional processors, server rack rails, memory, cables and power cords in varying lengths, extra hard drive units, tape storage backups drives, Network Attached Storage (NAS), direct attached storage (DAS) etc.

The State will have a need to acquire parts for server-based computing platforms already in place at the State, through this Contract. The Contractor must be able to provide these parts as needed during the term of the Contract at the percent off of list, or markup percentage as denoted on the cost model.

### **1.0.16 PRODUCT TECHNOLOGY ROADMAPS**

Contractor must provide quarterly technology roadmap updates relevant to changes in products in use by the State. In particular, Contractor will provide six months' advance notice to the State on chipset changes or Product scheduled to go end of life (EOL).

### **1.0.17 HARDWARE ASSESSMENT, INSTALLATION, IMPLEMENTATION, AND INTEGRATION SERVICES**

At the option of the State, through a Statement of Work, the State may purchase Installation, Implementation, and Integration service on fixed per-unit basis or as fixed deliverable price. Reimbursement for travel and expenses must be factored into the cost.

Services will vary, based on the type of equipment being installed. Contractor will ensure the equipment will operate properly in the State's environment at the end of installation. Installation Services may include, but are not limited to:

- A. End-User Computing Device Installation - Installation capabilities may include, but not be limited to:
  1. Site Hardware Set-Up, which may include
    - a. Desk-side delivery
    - b. Unpack system
    - c. Save files from old systems by copying to server or media
    - d. Removal of old system
    - e. Wipe or remove hard drive for data destruction, as defined
    - f. Pack old system for Asset Recovery
    - g. Install system unit and any previously attached peripherals
    - h. Connect to network and test connection
    - i. Complete User login
    - j. Set up and test printer connection

- k. Initiate Software push
  - l. Confirm successful completion of all activities
- B. Solution training for State administrators and operators

### **1.0.18 DATA RECOVERY**

Contractor will do their best to provide data recovery services on end-user computing devices and servers if requested by the State.

### **1.0.19 ENVIRONMENTAL (GREEN) REQUIREMENTS**

The State requires that the devices be Energy Star compliant, be so labeled, and the Contractor will document, when required, the energy savings the State can expect to realize per year by implementing suggested devices. The devices must also be EPEAT rated, and the vendor must show that the devices they are suggesting for State of Michigan use are in the EPEAT registry. The devices must also minimize the amount of overhead needed during operation. This includes power consumption, heat, and air conditioning

1. Contractor will identify and offer power-state management tools.
2. Contractor will identify and offer a disposal program that ensures value is obtained for old equipment. Such programs may include recycling of the devices through refurbishment, redeploying the equipment in another jurisdiction and/or recycling of parts or materials of the equipment. This program must meet zero landfill requirements and provide for the secure disposal of computer data-storage components at either DoD-standard erasure level, or approved physical destruction of said components.
3. Contractor will offer products whose manufacturer offers a free packaging take-back program where the packaging material can be collected/returned to manufacturer or recycler for reuse or recycling at the State's option. As an option, Contractor may propose bulk packaging such as shipping an order in one pallet or container without individual packaging of equipment.

Contractor will provide products whose manufacturers provide a publicly available written corporate environmental policy consistent with the aspects of the policy requirements laid out in the ISO 14001 standard.

“**ISO 14001**” is the conformance standard within the family of ISO 14000 documents developed by the International Organization for Standardization (ISO) in Geneva, Switzerland. Similar in structure to the ISO 9000 quality management system standard, ISO 14001 outlines key requirements companies should comply with in order to operate in an environmentally responsible manner. Utilizing ISO 14001, companies can merge environmental programs into one coherent system to efficiently manage all environmental activities. In short, ISO 14001 provides organizations with a way to demonstrate to their customers that their environmental processes and impact are effectively managed, continually improving, and part of the corporate management system. For more information, please refer to [www.iso.org](http://www.iso.org).

## EXHIBIT B PRICING

Pricing will be determined by the annual competitive bidding process between vendors who have been selected to source hardware to the State through the Michigan Master Computing Program. The price lists and products listed are subject to change over time; standard products will be changed in accordance with the State standards kept and updated by DTMB.

**Discretionary Hardware** - Pricing will be determined on a per-purchase competitive bidding process between vendors who have been selected to source hardware to the State through the Michigan Master Computing Program. Below are guaranteed minimum discounts available to the State:

Transaction Cost Band	Bidder's Minimum % Discount to VPI Cost
Less than \$10,000	5.00%
\$10,000 - less than \$25,000	5.25%
\$25,000 - less than \$250,000	5.50%
\$250,000 - less than \$2.5 million	6.00%

**Customer-Premise Telecommunications and Security Solutions:** Pricing will be determined on a per-purchase competitive bidding process between vendors who have been selected to source hardware to the State through the Michigan Master Computing Program. Below are guaranteed minimum discounts available to the State:

Brand	Minimum % Discount to Bidder's VPI Price on Purchases less than \$500,000	Minimum % Discount to Bidder's VPI Price on Purchases \$500,000 or greater	Additional % Discount to Other Titles for Inclusion in Contract
Cisco	40% off hardware, 17% off 3yr Smartnet	41% off hardware, 17% off 3yr Smartnet	5%
Misc Telcom Equipment - Avaya, Barracuda, Black box, Adtran, Fortinet, Polycomm, Qualcomm, Sonic wall, Juniper , Crowdstrike etc.	10%	12%	5%

**Hardware Services** - Pricing will be determined on a per-purchase competitive bidding process between vendors who have been selected to source hardware to the State through the Michigan Master Computing Program. Below are guaranteed not to exceed hourly rates available to the State (services are not limited to the individual positions below):

Description	Not to Exceed Rate
Digital Forensics Analyst	\$250.00
Field Services Technician - Junior	\$67.60
Field Services Technician - Senior	\$85.00
Network Analyst	\$85.00
Network Analyst Sr.	\$125.00
Network Administrator	\$95.00
Network Administrator Sr.	\$135.00
Support Engineer	\$90.00
Support Engineer Sr	\$145.00
Support Engineer, Level 3	\$175.00
System Technician	\$80.00
System Technician Sr.	\$100.00
Security Analyst	\$140.00
Security Specialist	\$250.00