



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

CONTRACT CHANGE NOTICE

Change Notice Number **10**
 to
 Contract Number **071B4300125**

CONTRACTOR	ALCOHOL MONITORING SYSTEMS
	1241 West Mineral Avenue , Suite 200
	Littleton, CO 80120
	Josh Fobes
	303-775-3919
	JFobes@scramsystems.com
	CV0013492

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

CONTRACT SUMMARY				
ELECTRONIC MONITORING PROGRAM ALCOHOL MONITORING DEVICES AND SUPPORT				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
June 1, 2014	May 31, 2019	5 - 1 Year	May 31, 2023	
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 checked="" type="checkbox"/>	1 Year	<input type="checkbox"/>		May 31, 2024
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$19,696,318.25	\$0.00	\$19,696,318.25		
DESCRIPTION				
Effective 3/14/2023, the parties exercise the final option year. All other terms, conditions, specifications, and pricing remain the same. Per contractor, agency and DTMB Central Procurement Services approval. Available Ad Board funds after this contract change notice: \$249,999.99.				

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDOC	William Dunham	517-335-1750	dunhamb@michigan.gov
DTMB	David Enslin	517-930-6332	EnslinD@michigan.gov



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

CONTRACT CHANGE NOTICE

Change Notice Number **9**
 to
 Contract Number **071B4300125**

CONTRACTOR	ALCOHOL MONITORING SYSTEMS
	1241 West Mineral Avenue , Suite 200
	Littleton, CO 80120
	Bill Shepherd
	614-561-2745
	bshepherd@scramsystems.com
	CV0013492

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

CONTRACT SUMMARY

ELECTRONIC MONITORING PROGRAM ALCOHOL MONITORING DEVICES AND SUPPORT

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
June 1, 2014	May 31, 2019	5 - 1 Year	May 31, 2022
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"/>		May 31, 2023
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$19,696,318.25	\$0.00	\$19,696,318.25		

DESCRIPTION

Effective 5/26/2022, the State exercises option four of five. The new expiration date of the contract is May 31, 2023.

The parties agree that Contractor is required to return all State-owned equipment within 60 days of Contract end or at MDOC request. All equipment must be returned refurbished and in usable condition.

The parties agree that the Vendor Handbook has been replaced with the Vendor Rules and Regulations. Accordingly, the parties remove the Vendor Handbook from the Contract, and going forward, Contractor will comply with the attached Vendor Rules and Regulations.

The MDOC Program Manager has been changed from Greg Roach to William Dunham (dunhamb@michigan.gov). The Contractor Contract Administrator has been changed from Chris Barstad to Bill Shepherd (614-561-2745, bshepherd@scramsystems.com).

All other terms, conditions, specifications, and pricing remain the same. Per contractor, agency and DTMB Central Procurement Services approval. Available Ad Board funds after this contract change notice: \$249,999.99.

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDOC	William Dunham	517-335-1750	dunhamb@michigan.gov
DTMB	David Enslin	517-930-6332	EnslinD@michigan.gov



MICHIGAN DEPARTMENT OF CORRECTIONS VENDOR RULES & REGULATIONS

(Rev. April 2022)

Contractors providing services to the Michigan Department of Corrections (MDOC) under a Contract, Purchase Order, Delivery Order, Memorandum of Understanding, Grant, or other agreements are subject to the following rules, standards, and procedures. Due to the sensitive nature of the involved work, Contractor and MDOC have agreed that all Contractors and Subcontractors shall abide by the following rules and regulations to ensure the safety of the Contractor, Subcontractors, Offenders, and MDOC employees. Any violation of the MDOC Vendor Rules and Regulations may result in a Stop Order being issued against the Contractor, the Contractor's removal from his/her assignment under the agreement and may result in additional sanctions from law enforcement.

Definitions

Contraband: Any article not specifically authorized by policy including Contractor personal property. (See Attachment A for permissible items allowed into a facility without a gate manifest.)

Contractor: an individual employed by a company, agency, or vendor that are contracted to provide services to the Michigan Department of Corrections or their sub-contractors.

Contractor Permitted Items: (CFA)

See Attachment A – Allowable Items Without Gate Manifest.

(FOA)

Contractors are permitted to take the following items in a FOA office: photo ID, money, cell phone (Contractors are prohibited from recording audio or video with cellular devices).

Correctional Facilities Administration (CFA): Contractors who enter and provide services within the secure perimeter of an MDOC correctional facility are categorized as CFA Contractors.

Discriminatory Harassment: Unwelcome advances, requests for favors, other verbal or non-verbal communication or conduct based on religion, race, color, national origin, age, sex, height, weight, marital status, partisan considerations, disability, or genetic information.

Facility: Any property owned, leased, or occupied by the MDOC.

Field Operations Administration (FOA): Contractors who provide services in the community are categorized as FOA Contractors.

MDOC: Michigan Department of Corrections.

MDOC Program Manager: Individual appointed by the State to monitor and coordinate the day-to-day activities of the Contract.

Offender: A prisoner or parolee under the jurisdiction of the MDOC or housed in a MDOC facility, a probationer who is supervised by an employee of the MDOC, or any person referred to the MDOC by the courts for investigation or supervision.

Offender Contact Disclosure for Contractors Form: Form completed at the time of initial LEIN clearance and renewed as needed as circumstances change. Contractors are required to disclose relation, acquaintance, or active communication with offenders under MDOC jurisdiction at any time during their performance on the contract. Failure to disclose this information may result in disqualification from working on MDOC deliverables. Disclosure of offender contact will result in a review process which may also disqualify the disclosing contractor from working on MDOC deliverables.

Overfamiliarity: Conduct that has resulted in, or is likely to result in, a personal non-work-related association or intimacy. Establishing a friendship, mutual attraction, or intimate relationship with an offender, is strictly prohibited. Examples include, but are not limited to:

- Conduct which has resulted in or is likely to result in intimacy, a close personal or non-work-related association
- Being at the residence of an offender outside of routine work duties
- Being at the residence of an offender's family outside of routine work duties
- Giving or receiving non-work-related letters, messages, money, personal mementos, pictures, telephone numbers, to or from an offender or a family member of a listed visitor of an offender
- Exchanging hugs with an offender
- Dating or having sexual relations with an offender

Procurement, Monitoring, and Compliance Division (PMCD): Unit that provides oversight to MDOC contracts and ensures that Contractors are delivering services according to contract requirements.

Stop Order: A notice that is posted at a worksite prohibiting an individual from entering or being allowed on the grounds of an MDOC worksite.

Vendor: A company or agency who employs individuals who provide contracted services to the MDOC or their sub-contractors.

Vendor Supervisor: The Vendor's main point of contact to monitor and coordinate the day-to-day activities of the Contract.

General Requirements

MDOC Rules, Regulations, Policies, and Procedures. Contractors 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. This Vendor Rules and Regulations document serves as the initial communication of MDOC Rules, Regulations, Policies, and Procedures with the possibility of additional communication to follow.

Background Checks. The State, in its sole discretion, may perform background checks on Contractors.

Contractor Roster. To assist PMCD in maintaining complete and accurate contractor files and identifying those who access secure correctional facilities, criminal justice information, and have contact with offenders, Contractors are required to update contact information and additional information upon request.

Training Requirements. In accordance with MDOC instruction, Contractors providing services to the MDOC must complete applicable MDOC assigned training prior to providing services under the contract and annually thereafter. The training assigned to Contractors is specific to worksite, level of offender contact, access to MDOC data, and the services provided under the contract. For Contractors who have no offender contact and no access to MDOC properties or data, training may not be a requirement.

Discrimination. Contractors shall not discriminate against a person on the basis of religion, race, color, national origin, age, sex, height, weight, marital status, partisan considerations, disability, or genetic information.

Political Activities. Contractors cannot proselytize for any political group while providing services for the MDOC or at the location of where services are provided to the MDOC.

Conflict of Interest. If a Contractor has a family member or friend who is incarcerated, on parole or probation he/she must immediately notify their Contractor Supervisor, MDOC Contract Representative, and complete the Offender Contact Disclosure for Contractors form for proper assignment to avoid a conflict of interest.

Public Information. Contractors are not authorized to make public statements on behalf of the MDOC.

Role Model. Contractors serve as role models to offenders and must act in a professional manner at all times. Any arrest, citation, issuance of a warrant for a felony or misdemeanor offense or issuance of a personal protection order against the Contractor must be immediately reported to his/her Vendor Supervisor and MDOC Program Manager. Any action or inaction by a Contractor which jeopardizes the safety or security of the facility, MDOC employees, the public or offenders is prohibited.

Fitness for Duty. Contractors are required to be physically and mentally fit to perform their job duties. If you do not believe you are mentally or physically fit, please report this issue to your Vendor Supervisor and MDOC Program Manager. Contractors shall immediately notify their Vendor Supervisor and MDOC Program Manager if they are taking medication which may interfere with their work responsibilities. Additionally, Contractors must adhere to MDOC COVID-19 protocols and testing measures.

Use of Leave/Notice of Absence. Contractors are required to obtain preapproval of leave from their immediate Vendor Supervisor and/or on site MDOC Supervisor if applicable.

Punctuality. Regular attendance and punctuality are required of all Contractors. All Contractors are expected to adhere to the work schedule approved by their supervisor and to be at their assignment at the start of their shift or workday. In addition, all Contractors must adhere to specific facility procedures for attendance accountability.

Jail Time or Other Restricted Supervision. No Contractor shall be allowed to provide services to an offender while under electronic monitoring supervision or device, house arrest, or sentenced to jail time even if granted a work release.

ADA Compliance. Contractors shall contact their employing Vendor for ADA issues and follow their Vendor's Disability Accommodation request process. Due to potential custody and security issues, the Vendor shall include the PMCD Contract Manager and MDOC Equal Employment Opportunity Officer in the interactive process. Any costs associated with the accommodation are the responsibility of the Contracting Vendor, not the MDOC. If a Vendor has approved a reasonable accommodation their staff, PMCD shall be notified.

Possession and/or Use of Medication. Contractors shall immediately notify their Vendor Supervisor and MDOC Program Manager if taking prescribed medication which may interfere with the Contractor's work responsibilities. In addition, any Contractor who has duties involving the direct management or observation of offenders shall immediately provide written notice of a prescribed medication that could reasonably be expected to affect the work performed. Such medication includes, but is not limited to narcotic pain medication, psychotropic medication, mood altering medication, and antihistamines.

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

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

B. Contractors who may have contact with prisoners must complete PREA training prior to providing services.

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

D. The Contractor must report any information concerning violations of PREA as soon as made aware of the alleged occurrence to the MDOC immediately.

Contractor Work Rules

- 1. Humane Treatment of Individuals.** Contractors are expected to treat individuals in a humane manner in the workplace or while on duty. Examples of actions of a Contractor in violation of this rule include but is not limited to any action, language, or behavior that causes intimidation, humiliation, degradation, or belittlement of another person or group, displaying a weapon or object for the purpose of intimidation, and invoking unnecessary or unreasonable rules and requests.

2. **Use of Personal Position for Personal Gain.** Contractors shall not engage in actions that could constitute the use of their position for personal gain. Examples of actions of a Contractor in violation of this rule include but is not limited to obtaining goods or services that would not otherwise be available to the Contractor, displaying department issued credentials or referencing employment for non-work-related reason, and obtaining information, assistance, or leniency from other law enforcement or criminal justice agencies.
3. **Discriminatory Harassment.** Contractors shall not engage in discriminatory harassment which includes but is not limited to, unwelcomed advances, requests for favors, other verbal or non-verbal communication or conduct based on religion, race, color, national origin, age, sex, height, weight, marital status, partisan considerations, disability, or genetic information.
4. **Misuse of State or Other Agency Property or Equipment.** Contractors shall not misuse State or Vendor property. Examples of actions of a Contractor in violation of this rule include but is not limited to use of computer for personal or unauthorized purposes, inappropriate use of the internet, and removal of items from State or Vendor premises without authorization.
5. **Conduct Unbecoming.** Contractors shall not behave in an inappropriate manner that may harm or adversely affect the reputation or public perception of the MDOC. Contractors are expected to be professional at all times. Contractors are also expected to support and uphold the law through their actions and personal conduct. In instances where a Contractor is arrested or charged with a criminal offense, this incident shall be reported to the Contractor's Vendor Supervisor and the MDOC Program Manager.
6. **Physical Contact.** Inappropriate physical contact is prohibited. Examples include but are not limited to, inappropriately placing of hands on another person, horseplay, or other types of body contact, including body contact with an object.
7. **Confidential Nature of Records.** Contractors shall respect the confidentiality of other Contractors, MDOC staff, and offenders. Contractors shall not share confidential information, health care information, or other information and reports to unauthorized persons.
8. **Use of Health Care Services.** Contractors shall only use the facility health care services in cases of emergency, and medical stabilization for serious on-the-job injuries.
9. **Class II Insubordination.** Willful acts of Contractors contrary to management directives that may compromise the MDOC's ability to carry out its responsibilities, such as operation of safe and secure facilities or protection of the public, are prohibited.
10. **Class I Insubordination.** Contractors are prohibited from failing to immediately follow management directives.
11. **Searches While on Facility Property.** All Contractors are subject to authorized searches while on facility property. Contractors who refuse to submit to, avoid or interfere with an authorized search will be relieved of providing services immediately pending investigation.

- 12. Responding or Providing Assistance.** All Contractors of the MDOC, regardless of classification, have security responsibility. Contractors shall immediately respond to any request for assistance, including emergency preparedness drills and mobilizations. A Contractor shall come to the assistance of other Contractors, offenders, visitors, volunteers, etc., who are in distress, in an escalated situation, at risk of suffering harm or injury or in an emergent situation.
- 13. Work Rule Rescinded.**
- 14. Work Rule Rescinded.**
- 15. Work Rule Rescinded.**
- 16. Criminal Acts - Felony.** Contractors shall not engage in any conduct which results in a felony conviction (including diversion programs), whether by guilty plea, no contest plea, delayed or deferred sentence or trial. Contractors shall report any felony arrest, charge, or convictions to their Vendor Supervisor and MDOC Program Manager within 24 hours.
- 17. Controlled Substance/Intoxicant – Possession, Introduction, or Attempted Introduction.** Possessing, introducing, or attempting to introduce controlled substances or intoxicants into any facility where offenders are supervised shall result in discharge and possible referral for prosecution. Contractors are responsible for any item in their area of control which includes, but is not limited to, the automobile they have driven, their clothing, and within purses and briefcases.
- 18. Use of Alcohol or Controlled Substance.** Contractors are prohibited from consuming alcohol or any controlled substance while on duty or on breaks. Contractors who report for duty with alcohol on his/her breath or when suspected of being under the influence of alcohol or a controlled substance, may be immediately removed from providing services. Contractors are subject to random, reasonable suspicion, pre-appointment, post-accident, and follow-up drug and alcohol testing protocol.
- 19. Work Rule Rescinded.**
- 20. Introduction or Possession of Contraband Items (CFA).** Contractors shall not introduce or possess unauthorized items such as escape paraphernalia, weapons, facsimiles of weapons, ammunition, wireless communication devices, cell phones, tobacco, or facsimiles of tobacco products in any facility where offenders are housed. Contractors are responsible for any item in their area of control which includes, but is not limited to, their clothing and within purses and briefcases.
- 21. Contraband in Vehicle on the Premises of a Facility Housing Offenders.** Contractors are responsible for ensuring that unauthorized items such as alcohol, controlled substances, weapons, ammunition, or facsimiles thereof are not in their vehicle.
- 22. Misdemeanor or Other Restrictions.** Any conduct by a Contractor which results in a misdemeanor conviction (including diversion programs), whether by guilty plea, no-contest plea, delayed or deferred sentence, or trial is prohibited. Exceptions include animal control misdemeanors, insurance related misdemeanors, and license related

misdemeanors. Contractors shall report any misdemeanor arrest, charge, or convictions to their immediate Vendor Supervisor and MDOC Program Manager within 24 hours.

23. Work Rule Rescinded.

24. Work Rule Rescinded.

25. Work Rule Rescinded.

26. Entry and Visiting in a Facility. Contractors shall not visit non-public areas of a facility where offenders are housed for non-work-related purposes without prior approval of their Vendor Supervisor and MDOC Program Manager. Contractors who have family members incarcerated with the MDOC must complete the Offender Contact Disclosure for Contractors form and obtain MDOC approval prior to visiting an offender. Contractors visiting any facility where offenders are housed shall sign the facility visitor's log.

27. Dereliction of Duty. Contractors shall fully perform their job duties. Any action or omission of a Contractor indicating neglect of his/her job duties, including but not limited to safe and proper care and control of offender's health and well-being will be considered dereliction of duty.

28. Use of Force. Contractors shall use the least amount of force necessary to perform their duties. Contractors may act to reasonably to protect themselves and others from harm.

29. Work Rule Rescinded.

30. Duty Relief and Exchange of Duties. Contractors shall not leave an assignment or exchange duties without prior relief or authorization from their immediate Vendor Supervisor or MDOC Supervisor if applicable.

31. Security Precautions. Contractors shall take reasonable security precautions to ensure the safety and security of employees, the public, and offenders. Examples include but are not limited to, loss of security equipment (keys, tools, etc..), propping open security doors or doors that should remain locked, allowing an unknown or unidentified individual access into a building, and unauthorized distribution of MDOC exempt policy directives/operating procedures.

32. Attention to Duty. Contractors shall remain alert while on duty. Sleeping or failure to properly observe an assigned area or offenders are examples of inattention to duty and are prohibited. Items that detract from the alertness of a Contractor are prohibited. These items include but are not limited to unauthorized electronic devices, computer games, books, pamphlets, newspapers, or other reading materials while on duty.

33. Reporting Violations. Contractors shall immediately report the conduct of another Contractors or MDOC Employees that is in violation of MDOC rules, policies, and procedures. Contractors must report conduct involving drugs, escape, sexual misconduct, sexual harassment, workplace safety or excessive use of force. A complete written report of the approach must be made no later than the end of the Contractor's workday.

- 34. Reporting Approach to Introduce Contraband, Violate Rules, Policies, Procedures, Director's Office Memorandums and Manuals.** Contractors shall report each time they are approached to introduce contraband or violate rules, policies, procedures, Director's Office Memorandums, or manuals. A verbal report of the approach shall be made immediately to the Vendor Supervisor, MDOC Program Manager, and on site MDOC staff with a complete written report of the approach must be made no later than the end of the Contractor's workday.
- 35. Work Rule Rescinded.**
- 36. Work Rule Rescinded.**
- 37. Work Rule Rescinded.**
- 38. Reporting Requirements.** Contractors shall timely submit accurate and complete oral and written reports when required by MDOC policy, procedure, or when requested by supervisor or other authorized personnel. Failure to provide reports that are accurate and complete is a violation of this work rule. Vendors shall ensure their Contractor's complete reports as requested by the MDOC.
- 39. Work Rule Rescinded.**
- 40. Work Rule Rescinded.**
- 41. Work Rule Rescinded.**
- 42. Contractor Uniform Requirements.** Contractors must wear their required uniforms as approved by the Vendor and the MDOC. Contractors will not be permitted to enter the facilities or interact with offenders without the proper Vendor approved uniform/work attire. Examples of inappropriate attire are cut-off shorts, tube tops, bathing suits, see-through clothing, excessively ripped clothing, etc. Shirts and shoes are required.
- 43. Work Rule Rescinded.**
- 44. Work Rule Rescinded.**
- 45. Work Rule Rescinded.**
- 46. Work Rule Rescinded.**
- 47. Falsifying, Altering, Destroying, Removing Documents or Filing False Reports.** Contractors shall not falsify, alter, destroy, or remove documents, logbooks, data entries, reports, receipts, etc... from the facility or office. Fraudulent reporting of a Contractor's time is expressly prohibited. Contractors who file a false compliant will be considered to be in violation of this rule.
- 48. Giving or Receiving Gifts or Services.** Contractors are prohibited from exchanging with, giving to, or accepting any gifts or services from offenders or an offender's family. This includes but is not limited to food and beverage items, shoeshines, clothing, paper products, stamps, delivering letters/correspondence, etc.

49. Work Rule Rescinded.

50. Overfamiliarity or Unauthorized Contact. Contractors are prohibited from engaging in over-familiarity or non-work relationships with an offender, or an offender's family member, known acquaintance or listed visitor. For Contractors with relationships with active MDOC offenders or offender's family, the completion of the Offender Contact Disclosure for Contractors form must be completed. This form is included at the time of LEIN clearance and renewed as needed as circumstances change. Contractors are required to disclose relation, acquaintance, or active communication with offenders under MDOC jurisdiction at any time during their performance on the contract.

51. Sexual Abuse of Offender. Contractors shall not engage in sexual abuse of an offender.

52. Sexual Harassment of Offender. Contractors shall not engage in sexual harassment of an offender. Contractors shall not assist, advise, or encourage another to engage in sexual harassment, nor shall they assist the violator in avoiding discovery. Sexual harassment can include, but is not limited to, verbal or written statements of a sexual nature, demeaning references to gender or derogatory verbal or written statements about body or clothing, and profane or obscene language or gestures of a sexual nature.

53. Workplace Safety. Threats made by Contractors such as bomb threats, death threats, threats of assault, threats of assault, acts of physical violence are prohibited. Contractors shall not physically fight or assault any person at their worksite or facility grounds. Contractors may act to reasonably defend themselves against violence. If a Contractor becomes aware of a threat of violence or an act of violence, the Contractor shall immediately report this information to their Vendor Supervisor, on-site MDOC employee, and MDOC Program Manager.

54. Misuse of Recording Devices or Recorded Information. Contractors are prohibited from using any type of recording device to record, transmit, or transcribe audio conversations, electronic information, photographic or video images. Contractors are prohibited from making copies or removing copies of communications without authorization which are routinely recorded and/or monitored as part of the daily operations of the Department (logbooks, security tapes, etc.).

ACKNOWLEDGMENT

I acknowledge that I have received a copy of, have read, understand, and agree to abide by the above conditions and applicable attachments. If I have any questions, I will ask my Vendor Supervisor.

Print Contractors Name

Contractors Signature

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 **8**
 to
 Contract Number **071B4300125**

CONTRACTOR	ALCOHOL MONITORING SYSTEMS
	1241 West Mineral Avenue , Suite 200
	Littleton, CO 80120
	Chris Barstad
	440-264-3445
	cbarstad@scramsystems.com
	CV0013492

STATE	Program Manager	Various	MDOC
	Contract Administrator	Sean Regan (517) 243-8459 regans@michigan.gov	DTMB

CONTRACT SUMMARY

ELECTRONIC MONITORING PROGRAM ALCOHOL MONITORING D

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
June 1, 2014	May 31, 2019	5 - 1 Year	May 31, 2021

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 checked="" type="checkbox"/>	11 Months	<input type="checkbox"/>		May 31, 2022

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$13,446,318.25	\$6,250,000.00	\$19,696,318.25

DESCRIPTION

Effective June 1, 2021, the Michigan Department of Corrections is adding \$6,250,000.00 to the contract and exercising the remaining 11 months of option year 3. The new expiration date of the contract is May 31, 2022.

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement Services approval, and State Administrative Board approval on June 8, 2021.

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDOC	Greg Roach	517-284-8510	roachg1@michigan.gov
DTMB	David Enslin	517-930-6332	EnslinD@michigan.gov



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

CONTRACT CHANGE NOTICE

Change Notice Number 7
 to
 Contract Number 071B4300125

CONTRACTOR	ALCOHOL MONITORING SYSTEMS
	1241 West Mineral Avenue , Suite 200
	Littleton, CO 80120
	Chris Barstad
	440-264-3445
	cbarstad@scramsystems.com
	CV0013492

STATE	Program Manager	Various	MDOC
	Contract Administrator	Sean Regan (517) 243-8459 regans@michigan.gov	DTMB

CONTRACT SUMMARY

ELECTRONIC MONITORING PROGRAM ALCOHOL MONITORING D

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
June 1, 2014	May 31, 2019	5 - 1 Year	May 31, 2021

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 checked="" type="checkbox"/>	1 Month	<input type="checkbox"/>		July 1, 2024

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$13,446,318.25	\$0.00	\$13,446,318.25

DESCRIPTION

Effective May 15, 2021, this contract is hereby exercising 1 month of option year 3. The new expiration date of the contract is July 1, 2021.

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

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDOC	Greg Roach	517-284-8510	roachg1@michigan.gov
DTMB	David Enslin	517-930-6332	EnslinD@michigan.gov



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

CONTRACT CHANGE NOTICE

Change Notice Number **6**

to

Contract Number **071B4300125**

CONTRACTOR	ALCOHOL MONITORING SYSTEMS
	1241 West Mineral Avenue , Suite 200
	Littleton, CO 80120
	Chris Barstad
	440-264-3445
	cbarstad@scramsystems.com
	CV0013492

STATE	Program Manager	Multi	MDOC
		Multi	
		Multi	
	Contract Administrator	Jordan Sherlock	DTMB
		517-243-5556	
		sherlockj@michigan.gov	

CONTRACT SUMMARY

ELECTRONIC MONITORING PROGRAM ALCOHOL MONITORING D			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
June 1, 2014	May 31, 2019	5 - 1 Year	May 31, 2020
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 checked="" type="checkbox"/>	1 year	<input type="checkbox"/>		May 31, 2021
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$13,116,318.25	\$330,000.00	\$13,446,318.25		

DESCRIPTION

Effective 1/14/2020, this Contract is exercising the second option year and is increased by \$330,000.00. The revised contract expiration date is 5/31/2021.

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement Services approval, and State Administrative Board approval on 1/14/2020.

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDOC	Greg Roach	517-284-8510	roachg1@michigan.gov
DTMB	David Enslin	517-930-6332	EnslinD@michigan.gov

STATE OF MICHIGAN CENTRAL PROCUREMENT SERVICES

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



CONTRACT CHANGE NOTICE

Change Notice Number 5

to

Contract Number 071B4300125

CONTRACTOR	ALCOHOL MONITORING SYSTEMS
	1241 West Mineral Avenue , Suite 200
	Littleton, CO 80120
	Chris Barstad
	440-264-3445
	cbarstad@scramsystems.com
	CV0013492

STATE	Program Manager	Various	MDOC
	Contract Administrator	Sean Regan	DTMB
		(517) 243-8459	
		regans@michigan.gov	

CONTRACT SUMMARY

ELECTRONIC MONITORING PROGRAM ALCOHOL MONITORING D			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
June 1, 2014	May 31, 2019	5 - 1 Year	May 31, 2019
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 checked="" type="checkbox"/>	1 Year	<input type="checkbox"/>		May 31, 2020
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$11,130,666.75	\$1,985,651.50	\$13,116,318.25		

DESCRIPTION

Effective April 15, 2019 the first option year available on this contract is hereby exercised. The revised contract expiration date is May 31, 2020.

The Michigan Department of Corrections are adding \$1,985,651.50 for the following:

CAM Monitoring - \$1,609,139.00
CAM Communcation Fees - \$108,587.50
Remote Breath Moniroting - \$82,125.00
Equipment Purchases \$185,800.00

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Procurement approval, and State Administrative Board approval on April 30, 2019.

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDOC	Greg Roach	517-284-8510	roachg1@michigan.gov
DTMB	David Enslin	517-930-6332	EnslinD@michigan.gov



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

CONTRACT CHANGE NOTICE

Change Notice Number **4**

to

Contract Number **071B4300125**

CONTRACTOR	ALCOHOL MONITORING SYSTEMS
	1241 West Mineral Avenue , Suite 200
	Littleton, CO 80120
	Chris Barstad
	440-264-3445
	cbarstad@scramsystems.com
	CV0013492

STATE	Program Manager	Multi	
	Contract Administrator	Sean Regan	DTMB
		(517) 243-8459	
		regans@michigan.gov	

CONTRACT SUMMARY

ELECTRONIC MONITORING PROGRAM ALCOHOL MONITORING DEVICES AND SUPPORT

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
June 1, 2014	May 31, 2019	5 - 1 Year	May 31, 2019

PAYMENT TERMS	DELIVERY TIMEFRAME

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input checked="" 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"/>		May 31, 2019
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$11,130,666.75	\$0.00	\$11,130,666.75		

DESCRIPTION

Effective November 7th, 2018, the Michigan Department of Corrections is removing the Ethernet Monitoring and the SCRAM Wireless Base Station Monitoring lines in the Summary Table of the contract and renaming it Communication Fees. There is also the addition of a credit for trade-in of base stations in the amount of \$26.50 per unit. The updated Summary Table is below:

This change notice is with the mutual understanding that the name of the Ethernet and WBS moiring fees will remain the same on future invoices as they have been on past invoices and will not be changed to communication fees.

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

Line Item	Current 5 Year Cost	Description of Change	Change	New 5 Year Cost
COMMUNICATION FEES (WIRELESS & ETHERNET BASE STATIONS)	\$191,625.00	\$.35 Monitoring Fee * 1000 units *365 = \$127,750.00 per year	\$0.00	\$273,750.00

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDOC	Greg Roach	517-284-8510	roachg1@michigan.gov
DTMB	Yvonne Sebok	517-243-1001	seboky@michigan.gov



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

CONTRACT CHANGE NOTICE

Change Notice Number **3**

to

Contract Number **071B4300125**

CONTRACTOR	ALCOHOL MONITORING SYSTEMS
	1241 West Mineral Avenue
	Littleton, CO 80120
	Chris Barstad
	440-264-3445
	cbarstad@scramsystems.com
	CV0013492

STATE	Program Manager	Greg Roach	MDOC
		517-334-7370	
		roachg1@Michigan.gov	
	Contract Administrator	Sean Regan	DTMB
		(517) 243-8459	
		regans@michigan.gov	

CONTRACT SUMMARY

ELECTRONIC MONITORING PROGRAM ALCOHOL MONITORING DEVICES AND SUPPORT

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
June 1, 2014	May 31, 2019	5 - 1 Year	May 31, 2019

PAYMENT TERMS	DELIVERY TIMEFRAME

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (DV) <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"/>		May 31, 2019
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$11,130,666.75	\$0.00	\$11,130,666.75		

DESCRIPTION

Effective September 7th, 2018, the Michigan Department of Corrections is adding a daily monitoring fee for the SCRAM Wireless Base Station. Please see below for the added line to the Summary Table of the contract.

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

Line Item	Original 5 Year Cost	Description of Change	Change	New 5 Year Cost
SCRAM WIRELESS BASE STATION	\$0.00	\$.50 Wireless Base Monitoring Fee * 50 *365 = \$9125.00	\$0.00	\$45,625.00



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

CONTRACT CHANGE NOTICE

Change Notice Number **2**
 to
 Contract Number **071B4300125**

CONTRACTOR	ALCOHOL MONITORING SYSTEMS
	1241 West Mineral Avenue
	Littleton, CO 80120
	Chris Barstad
	440-264-3445
	cbarstad@scramsystems.com
	*****7963

STATE	Program Manager	Greg Roach	MDOC
		517-334-7370	
		roachg1@Michigan.gov	
	Contract Administrator	Timothy Taylor	DTMB
		(517) 284-7000	
		taylort27@michigan.gov	

CONTRACT SUMMARY

ELECTRONIC MONITORING PROGRAM ALCOHOL MONITORING DEVICES AND SUPPORT

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
June 1, 2014	May 31, 2019	5 - 1 Year	May 31, 2019
PAYMENT TERMS		DELIVERY TIMEFRAME	
		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>	N/A	<input type="checkbox"/>	N/A	May 31, 2019
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$10,867,416.75	\$263,250.00	\$11,130,666.75		

DESCRIPTION

Effective 2/20/2018 the following items are added to this Contract:
 500 Wireless Base Stations and Power Supply - Unit Price \$526.500 Total Price: \$263,250.00 per the attached quote.
 All other terms, conditions, specifications, and pricing remain the same. Per contractor, agency and DTMB procurement.



SCRAM Purchase Equipment Order Form

Date: 2/20/2018	Customer Inventory Manager:
Customer Name & Address: Michigan Department of Corrections 1305 S. Washington Ave, Suite 103 Lansing, MI 48910 United States	Ship to Address: Michigan Department of Corrections 1305 S. Washington Ave Suite 103 Lansing, MI 48910 USA
Telephone Number:	Ordered By:
Date Required at Customer Site:	Authorized Signature:

SALESPERSON
Chris Barstad

EXT

EMAIL
cbarstad@alcoholmonitoring.com

DELIVERY METHOD
Ground - No Charge

PAYMENT METHOD
Net 30

Special Instructions:

Wireless

Product	Description	Part Number	Quantity	Price	Total
CAM/HA WBS Kit	Wireless Base Station (1) Power Supply (1)	05210	500.00	USD 526.50	USD 263,250.00
Wireless TOTAL:					USD 263,250.00

TOTAL: USD 263,250.00

Terms & Conditions

Any applicable taxes and shipping costs are NOT included on this Order.
Rental and lease pricing are subject to contracted prices.

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 48909
 OR
 525 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 1
 to
CONTRACT NO. 071B4300125
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
Alcohol Monitoring Systems (AMS) 1241 West Mineral Avenue, Suite 200 Littleton, CO 80120	Louis Sugo	lsugo@alcoholmonitoring.com
	PHONE	VENDOR TAX ID # (LAST FOUR DIGITS ONLY)
	(303) 785-7821	7963

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	MDOC	Greg Roach	(517) 334-7370	roachg1@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Jarrod Barron	(517) 284-7045	barronj@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: MDOC Electronic Monitoring Program – Alcohol Monitoring Devices and Support			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
June 1, 2014	May 31, 2019	(5) 1-Year Options	May 31, 2019
PAYMENT TERMS	F.O.B.	SHIPPED TO	
N/A	N/A	N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF EXTENSION/OPTION	EXPIRATION DATE AFTER CHANGE
<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/>	<input type="checkbox"/>		May 31, 2019
CURRENT VALUE		VALUE/COST OF CHANGE NOTICE	ESTIMATED REVISED AGGREGATE CONTRACT VALUE	
\$10,356,450.00		\$510,966.75	\$10,867,416.75	

DESCRIPTION:

Effective August 4, 2015, this Contract is hereby increased by \$510,966.75. The cost tables are fully restated per Attachment F, found below. See also, summary table found below. Please note the Contract Administrator has been changed to Jarrod Barron. All other terms, conditions, specifications, and pricing remain the same, per Contractor and Agency agreement, DTMB Procurement approval, and State Administrative Board approval on August 4, 2015.

Summary Table

Line Item	Original 5 Year Cost	Description of Change	Change	New 5 Year Cost
SCRAM CAM Equipment	\$1,039,200.00	200 Additional Units in Year 1	\$226,200.00	\$1,265,400.00
SCRAM CAM Monitoring	\$8,405,950.00	Monitoring Associated with Additional Units	\$216,153.00	\$8,622,103.00
SCRAM Cellular Equipment	\$217,800.00	Discontinued use of Equipment	(\$217,800.00)	\$0.00
SCRAM Cellular Monitoring	\$693,500.00	Discontinued use of Equipment	(\$693,500.00)	\$0.00
SCRAM Base Stations	\$0.00	Extra Equipment Used by SCRAM CAM	\$59,800.00	\$59,800.00
Direct Connect Consumable Devices	\$0.00	Extra Equipment Used by SCRAM CAM	\$16,200.00	\$16,200.00
Ethernet Monitoring	\$0.00	Replaces SCRAM Cellular Monitoring	\$146,000.00	\$146,000.00
Remote Breath Equipment	\$0.00	Lower Cost Alternative to SCRAM CAM	\$251,750.00	\$251,750.00
Remote Breath Monitoring	\$0.00	Lower Cost Alternative to SCRAM CAM Monitoring	\$506,163.75	\$506,163.75
Projected Total	\$10,356,450.00		\$510,966.75	\$10,867,416.75

Revised

The following attachment replaces Attachment F of the Original Contract

ATTACHMENT F – COST TABLES

The Contractor will provide the purchase option of alcohol monitoring hardware and the monitoring support software at the cost listed herein.

If the State determines at any time during the Contract term that a leasing option is the best value for the State, the Contractor will offer such leasing options to support alcohol monitoring. The State reserves the right to purchase/lease other alcohol monitoring equipment and support provided by the Contractor as deemed necessary by the State.

The State makes no guarantee nor is committed to purchase/lease any or all devices or support listed herein.

Original	Year 1 Total	Year 2 Total	Year 3 Total	Year 4 Total	Year 5 Total	Contract Total
Data	\$1,965,090.00	\$2,097,840.00	\$2,097,840.00	\$2,097,840.00	\$2,097,840.00	\$10,356,450.00

Proposed	Year 1 Total	Year 2 Total	Year 3 Total	Year 4 Total	Year 5 Total	Contract Total
Data	1,887,573.00	2,207,980.00	2,217,288.75	2,259,811.25	2,294,763.75	\$10,867,416.75

Adjustment	Year 1 Total	Year 2 Total	Year 3 Total	Year 4 Total	Year 5 Total	Contract Total
Needed	(\$77,517.00)	\$110,140.00	\$119,448.75	\$161,971.25	\$196,923.75	\$510,966.75

ESTIMATED TOTAL CONTRACT COST

Device	Year	Equipment			Monitoring			
		Quantity	Price	Total	Quantity	Days	Price	Total
SCRAM CAM	Year 1	100	1,187.00	118,700.00	1380	365	3.29	1,657,173.00
		100	1,075.00	107,500.00				
		0	-	-				
	Year 2	200	1,299.00	259,800.00	1450	365	3.29	1,741,232.50
				-				
	Year 3	200	1,299.00	259,800.00	1450	365	3.29	1,741,232.50
	Year 4	200	1,299.00	259,800.00	1450	365	3.29	1,741,232.50
	Year 5	200	1,299.00	259,800.00	1450	365	3.29	1,741,232.50
	Sub-total			1,265,400.00				8,622,103.00
5 Year Estimated Purchase Total – SCRAM CAM				9,887,503.00				
SCRAM Base Stations	Year 1	0	299.00	-	0	365	-	-
				-				-
				-				-

	Year 2	50	299.00	14,950.00	0	365	-	-
	Year 3	50	299.00	14,950.00	0	365	-	-
	Year 4	50	299.00	14,950.00	0	365	-	-
	Year 5	50	299.00	14,950.00	0	365	-	-
	Sub-total			59,800.00				-
5 Year Estimated Purchase Total - SCRAM Cellular				59,800.00				
SCRAM Cellular	Year 1	0	363.00	-	0	365	0.95	-
				-				-
				-				-
	Year 2	0	363.00	-	0	365	0.95	-
	Year 3	0	363.00	-	0	365	0.95	-
	Year 4	0	363.00	-	0	365	0.95	-
	Year 5	0	363.00	-	0	365	0.95	-
	Sub-total			-				-
5 Year Estimated Purchase Total - SCRAM Cellular				-				
DIRECT CONNECT CONSUMABLE DEVICES	Year 1	80	52.50	4,200.00	0	365	-	-
	Year 2	50	60.00	3,000.00	0	365	-	-
	Year 3	50	60.00	3,000.00	0	365	-	-
	Year 4	50	60.00	3,000.00	0	365	-	-
	Year 5	50	60.00	3,000.00	0	365	-	-
	Sub-total			16,200.00				-
5 Year Estimated Purchase Total - DIRECT CONNECT				16,200.00				
Ethernet - No Purchase price, provided at no cost by Vendor	Year 2	0	-	-	200	365	0.50	36,500.00
	Year 3	0	-	-	200	365	0.50	36,500.00
	Year 4	0	-	-	200	365	0.50	36,500.00
	Year 5	0	-	-	200	365	0.50	36,500.00

	<i>Sub-total</i>			-				146,000.00
5 Year Estimated Purchase Total - Ethernet				146,000.00				
Remote Breath (Purchase)	Year 2	75	1,150.00	86,250.00	75	365	2.42	66,247.50
	Year 3	50	1,110.00	55,500.00	125	365	2.33	106,306.25
	Year 4	50	1,110.00	55,500.00	175	365	2.33	148,828.75
	Year 5	50	1,090.00	54,500.00	225	365	2.25	184,781.25
	<i>Sub-total</i>			251,750.00				506,163.75
5 Year Estimated Purchase Total - Remote Breath				757,913.75				
GRAND TOTAL CONTRACT ESTIMATED COST				10,867,416.75				

SCRAM Continuous Alcohol Monitoring

Option A: Purchase- SCRAM Continuous Alcohol Monitoring (CAM)

Equipment Information

Device manufacturer, model number*	New Purchase Price per Unit	Daily Monitoring Fee**	Replacement Cost for Lost and Non-Warranty Devices
AMS, SCRAM Continuous Alcohol Monitoring Set, No. 00602 (Includes bracelet and base station) All consumables and tools included: batteries, faceplate, locking clips, exhaust cap, straps, faceplate removal tool, Torx L-Key, shear cutter, Direct Connect Kit, magnet.	\$1,299.00	\$3.29	(See breakdown below)
AMS, SCRAM Continuous Alcohol Monitoring, Bracelets, No. 00777 All consumables and tools included: batteries, faceplate, locking clips, exhaust cap, straps, faceplate removal tool, Torx L-Key, shear cutter, Direct Connect Kit, magnet.	\$1,075.00	\$3.29	\$1,075.00
AMS, SCRAM Continuous Alcohol Monitoring, Base Station, No. 00840 All consumables and tools included: batteries, faceplate, locking clips, exhaust cap, straps, faceplate removal tool, Torx L-Key, shear cutter, Direct Connect Kit, magnet.	\$299.00	\$0.00 (included in No. 00602, Set)	\$299.00

Replacement of devices that are considered repairable as well as all consumables for the products listed above will be at no cost to the State. This includes, but is not limited to, the following: bracelet, base, batteries, straps, retaining clips, tamper clips, screws, faceplate kits, ankle bracelet, telephone cords,

power cord, tools necessary for the installation, maintenance and/or removal of the device.

* List of all components and consumables that are included in the purchase of one of these devices.

** Daily Monitoring Fee will only be assessed on those devices that have been assigned to an offender. These fees will not be assessed for devices that are awaiting use.

Additional Items

Device manufacturer, model number*	New Purchase Price per Unit	Daily Monitoring Fee**	Replacement Cost for Lost and Non-Warranty Devices
AMS, MultiConnect AW Wireless Device, No. 01752 (wireless monitoring for SCRAM Continuous Alcohol Monitoring)	\$363.00	\$0.95	\$363.00

Replacement of devices that are considered repairable will be at no cost to the State.

* List of all components and consumables that are included in the purchase of one of these devices.

** Daily Monitoring Fee will only be assessed on those devices that have been assigned to an offender. These fees will not be assessed for devices that are awaiting use.

Option B: Lease – SCRAM Continuous Alcohol Monitoring (CAM)

Equipment Information

Device manufacturer, model number*	Lease Price per Unit	Daily Monitoring Fee**
AMS, SCRAM Continuous Alcohol Monitoring Set, No. 00602 (Includes bracelet and base station) All consumables and tools included: batteries, faceplate, locking clips, exhaust cap, straps, faceplate removal tool, Torx L-Key, shear cutter, Direct Connect Kit, magnet.	\$1.96/day	\$3.29
AMS, SCRAM Continuous Alcohol Monitoring, Bracelets, No. 00777 All consumables and tools included: batteries, faceplate, locking clips, exhaust cap, straps, faceplate removal tool, Torx L-Key, shear cutter, Direct Connect Kit, magnet.	\$1.47/day	\$3.29
AMS, SCRAM Continuous Alcohol Monitoring, Base Station, No. 00840 All consumables and tools included: batteries, faceplate, locking clips, exhaust cap, straps, faceplate removal tool, Torx L-Key, shear cutter, Direct Connect Kit, magnet.	\$0.49/day	\$0.00 (included in No. 00602, Set)

Replacement of devices that are considered repairable as well as all consumables for the products listed above will be at no cost to the State. This includes, but is not limited to, the following: bracelet, base, batteries, straps,

retaining clips, tamper clips, screws, faceplate kits, ankle bracelet, telephone cords, power cord, tools necessary for the installation, maintenance and/or removal of the device.

* List of all components and consumables that are included in the purchase of one of these devices.

** Daily Monitoring Fee will only be assessed on those devices that have been assigned to an offender. These fees will not be assessed for devices that are awaiting use.

Additional Items

Device manufacturer, model number*	Lease Price per Unit	Daily Monitoring Fee**
AMS, MultiConnect AW Wireless Device, No. 01752 (wireless monitoring for SCRAM Continuous Alcohol Monitoring)	\$20.00/mo.	\$1.00

Replacement of devices that are considered repairable will be at no cost to the State.

* List of all components and consumables that are included in the purchase of one of these devices.

** Daily Monitoring Fee will only be assessed on those devices that have been assigned to an offender. These fees will not be assessed for devices that are awaiting use.

SCRAM Remote Breath

Option A: Purchase/In Use Price - SCRAM Remote Breath

Equipment Information

Device manufacturer, model number*	New Purchase Price per Unit	Volume In Use Per Unit **	Daily Monitoring Fee**
SCRAM Remote Breath device	\$1,190	1-50	\$2.50
All consumables and tools included:	\$1,150	51 to 100	\$2.42
	\$1,110	101 to 200	\$2.33
*One case and 3 straws are shipped with every unit.	\$1,070	201 to 500	\$2.25
There are no tools necessary.	\$1,050	501 to 1,000	\$2.17
	\$1,030	1,001 to 2,000	\$2.08
	\$1,010	2,000 +	\$2.00

Option B: Lease/In Use Price - SCRAM Remote Breath

Equipment Information

Device manufacturer, model number*	In Use Daily Price	Volume In Use Per Unit **
SCRAM Remote Breath device All consumables and tools included: *One case and 3 straws are shipped with every unit. There are no tools necessary.	\$4.00 \$3.85 \$3.75 \$3.60 \$3.50 \$3.40 \$3.25	1-50 51 to 100 101 to 200 201 to 500 501 to 1,000 1,001 to 2,000 2,000 +

Replacement of devices that are considered repairable as well as all consumables for the products listed above will be at no cost to the MDOC. This includes, but is not limited to, the following: straws and case

* List of all components and consumables that are included in the purchase of one of these devices.

** MDOC will only pay the In Use Price per unit listed above based on the number installed. These fees will not be assessed for devices that are awaiting use.

The In Use price includes the cost of the equipment as well as the Daily Monitoring Fee.

DIRECT CONNECT CONSUMABLE DEVICES

Device manufacturer, model number*	New Purchase Price per Unit	Volume In Use Per Unit **	Daily Monitoring Fee**
Direct Connect is a tool used to allow a SCRAM bracelet and/or base station to communicate with a computer. It is required for SCRAM bracelet activations and SCRAM base unit deactivations.	\$60.00	No Price Scale	\$0.00

ETHERNET

Device manufacturer, model number*	New Purchase Price per Unit	Volume In Use Per Unit **	Daily Monitoring Fee**
<p>Ethernet cord required only - (No charge)</p> <p>This device allows the base unit to transmit stored data from the SCRAM base unit to the AMS server via any computer with an internet connection.</p>	\$0.00	No Price Scale	\$0.50

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

**NOTICE
 OF
 CONTRACT NO. 071B4300125**
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Alcohol Monitoring Systems (AMS) 1241 West Mineral Avenue, Suite 200 Littleton, CO 80120	Jason Tizedes	JTizedes@scramsystems.com
	TELEPHONE	CONTRACTOR #, MAIL CODE
	303-785-7867	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM ADMINISTRATOR	MDOC	Greg Roach	517-334-7370	Roachg1@michigan.gov
CONTRACT ADMINISTRATOR/BUYER	DTMB	Whitnie Zuker	517-284-7030	zukerw@michigan.gov

CONTRACT SUMMARY:			
DESCRIPTION:			
MDOC Electronic Monitoring Program– Alcohol Monitoring Devices and Support			
INITIAL TERM	EFFECTIVE DATE	INITIAL EXPIRATION DATE	AVAILABLE OPTIONS
5 years	June 1, 2014	May 31, 2019	5, 1 Year Options
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <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:			\$ 10,356,450.00

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

CONTRACT NO. 071B4300125
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Alcohol Monitoring Systems (AMS) 1241 West Mineral Avenue, Suite 200 Littleton, CO 80120	Jason Tizedes	JTizedes@scramsystems.com
	TELEPHONE	CONTRACTOR #, MAIL CODE
	303-785-7867	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM ADMINISTRATOR	MDOC	Greg Roach	517-334-7370	Roachg1@michigan.gov
CONTRACT ADMINISTRATOR/BUYER	DTMB	Whitnie Zuker	517-284-7030	zuckerw@michigan.gov

CONTRACT SUMMARY:			
DESCRIPTION:			
MDOC Electronic Monitoring Program– Alcohol Monitoring Devices and Support			
INITIAL TERM	EFFECTIVE DATE	INITIAL EXPIRATION DATE	AVAILABLE OPTIONS
5 years	June 1, 2014	May 31, 2019	5, 1 Year Options
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <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:		\$ 10,356,450.00	

THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the solicitation # 0071141113B0000112. Orders for delivery will be issued directly by the Department of Technology, Management & Budget through the issuance of a Purchase Order Form.

Notice of Contract #: 071B4300125

FOR THE CONTRACTOR:

Alcohol Monitoring Systems (AMS)

Firm Name

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Genevieve Hayes, Division Director

Name/Title

DTMB Procurement

Enter Name of Agency

Date

Table of Contents

<u>Article 1 – Statement of Work (SOW)</u>	8
<u>1.000 Project Identification</u>	8
<u>1.001 Project Request</u>	8
<u>1.002 Background</u>	8
<u>1.100 Scope of Work and Deliverables</u>	8
<u>1.101 In Scope</u>	8
<u>1.103 Environment</u>	9
<u>1.200 Roles and Responsibilities</u>	17
<u>1.201 Contractor Staff, Roles, And Responsibilities</u>	17
<u>1.202 State Staff, Roles, And Responsibilities</u>	21
<u>1.203 Other Roles And Responsibilities-Reserved</u>	22
<u>1.300 Project Plan</u>	22
<u>1.301 Project Plan Management</u>	22
<u>1.302 Reports</u>	23
<u>1.400 Project Management</u>	23
<u>1.401 Issue Management</u>	23
<u>1.402 Risk Management</u>	24
<u>1.403 Change Management</u>	24
<u>1.500 Acceptance</u>	24
<u>1.501 Criteria</u>	24
<u>1.502 Final Acceptance</u>	24
<u>1.600 Compensation and Payment</u>	25
<u>1.601 Compensation And Payment</u>	25
<u>1.602 Holdback-RESERVED</u>	26
<u>Article 2, Terms and Conditions</u>	27
<u>2.000 Contract Structure and Term</u>	27
<u>2.001 Contract Term</u>	27
<u>2.002 Options to Renew</u>	27
<u>2.003 Legal Effect</u>	27
<u>2.004 Attachments & Exhibits</u>	27
<u>2.005 Ordering</u>	27
<u>2.006 Order of Precedence</u>	27
<u>2.007 Headings</u>	27
<u>2.008 Form, Function & Utility</u>	28
<u>2.009 Reformation and Severability</u>	28
<u>2.010 Consents and Approvals</u>	28
<u>2.011 No Waiver of Default</u>	28
<u>2.012 Survival</u>	28
<u>2.020 Contract Administration</u>	28
<u>2.021 Issuing Office</u>	28
<u>2.022 Contract Compliance Inspector</u>	28
<u>2.023 Project Manager</u>	29
<u>2.024 Change Requests</u>	29
<u>2.025 Notices</u>	30
<u>2.026 Binding Commitments</u>	30
<u>2.027 Relationship of the Parties</u>	30
<u>2.028 Covenant of Good Faith</u>	30
<u>2.029 Assignments</u>	31
<u>2.030 General Provisions</u>	31
<u>2.031 Administrative Fee and Reporting</u>	31
<u>2.032 Media Releases</u>	31
<u>2.033 Contract Distribution</u>	31
<u>2.034 Permits</u>	32
<u>2.035 Website Incorporation</u>	32
<u>2.036 Future Bidding Preclusion</u>	32
<u>2.037 Freedom of Information</u>	32
<u>2.038 Disaster Recovery</u>	32
<u>2.040 Financial Provisions</u>	32

2.041	Fixed Prices for Services/Deliverables	32
2.042	Adjustments for Reductions in Scope of Services/Deliverables	32
2.043	Services/Deliverables Covered	32
2.044	Invoicing and Payment – In General	32
2.045	Pro-ration	33
2.046	Antitrust Assignment	33
2.047	Final Payment	33
2.048	Electronic Payment Requirement	33
2.050	Taxes	33
2.051	Employment Taxes	33
2.052	Sales and Use Taxes	34
2.060	Contract Management	34
2.061	Contractor Personnel Qualifications	34
2.062	Contractor Key Personnel	34
2.063	Re-assignment of Personnel at the State’s Request	34
2.064	Contractor Personnel Location	35
2.065	Contractor Identification	35
2.066	Cooperation with Third Parties	35
2.067	Contract Management Responsibilities	35
2.068	Contractor Return of State Equipment/Resources	35
2.070	Subcontracting by Contractor	35
2.071	Contractor full Responsibility	35
2.072	State Consent to delegation	36
2.073	Subcontractor bound to Contract	36
2.074	Flow Down	36
2.075	Competitive Selection	36
2.080	State Responsibilities	36
2.081	Equipment	36
2.082	Facilities	36
2.090	Security	37
2.091	Background Checks	37
2.092	Security Breach Notification	37
2.093	PCI DATA Security Standard	37
2.100	Confidentiality	37
2.101	Confidentiality	37
2.102	Protection and Destruction of Confidential Information	38
2.103	Exclusions	38
2.104	No Implied Rights	38
2.105	Respective Obligations	38
2.110	Records and Inspections	38
2.111	Inspection of Work Performed	38
2.112	Retention of Records	38
2.113	Examination of Records	39
2.114	Audit Resolution	39
2.115	Errors	39
2.120	Warranties	39
2.121	Warranties and Representations	39
2.122	Warranty of Merchantability	40
2.123	Warranty of Fitness for a Particular Purpose	40
2.124	Warranty of Title	40
2.125	Equipment Warranty	41
2.126	Equipment to be New	41
2.127	Prohibited Products	41
2.128	Consequences for Breach	41
2.130	Insurance	41
2.13.1	Liability Insurance	41
2.13.2	Subcontractor Insurance Coverage	44
2.13.3	Certificates of Insurance	44
2.140	Indemnification	44
2.141	General Indemnification	44
2.142	Code Indemnification	45
2.143	Employee Indemnification	45
2.144	Patent/Copyright Infringement Indemnification	45

2.145	Continuation of Indemnification Obligations	45
2.146	Indemnification Procedures	45
2.150	Termination/Cancellation	46
2.151	Notice and Right to Cure	46
2.152	Termination for Cause	46
2.153	Termination for Convenience	46
2.154	Termination for Non-Appropriation	47
2.155	Termination for Criminal Conviction	47
2.156	Termination for Approvals Rescinded	47
2.157	Rights and Obligations upon Termination	47
2.158	Reservation of Rights	48
2.160	Termination by Contractor	48
2.161	Termination by Contractor	48
2.170	Transition Responsibilities	48
2.171	Contractor Transition Responsibilities	48
2.172	Contractor Personnel Transition	48
2.173	Contractor Information Transition	48
2.174	Contractor Software Transition	49
2.175	Transition Payments	49
2.176	State Transition Responsibilities	49
2.180	Stop Work	49
2.181	Stop Work Orders	49
2.182	Cancellation or Expiration of Stop Work Order	49
2.183	Allowance of Contractor Costs	49
2.190	Dispute Resolution	50
2.191	In General	50
2.192	Informal Dispute Resolution	50
2.193	Injunctive Relief	50
2.194	Continued Performance	50
2.200	Federal and State Contract Requirements	51
2.201	Nondiscrimination	51
2.202	Unfair Labor Practices	51
2.203	Workplace Safety and Discriminatory Harassment	51
2.204	Prevailing Wage	51
2.210	Governing Law	51
2.211	Governing Law	51
2.212	Compliance with Laws	52
2.213	Jurisdiction	52
2.220	Limitation of Liability	52
2.221	Limitation of Liability	52
2.230	Disclosure Responsibilities	52
2.231	Disclosure of Litigation	52
2.232	Call Center Disclosure	53
2.233	Bankruptcy	53
2.240	Performance	53
2.241	Time of Performance	53
2.242	Service Level Agreement (SLA)	53
2.243	Liquidated Damages	54
2.244	Excusable Failure	54
2.250	Approval of Deliverables	55
2.251	Delivery of Deliverables	55
2.252	Contractor System Testing	55
2.253	Approval of Deliverables, In General	56
2.254	Process for Approval of Written Deliverables	57
2.255	Process for Approval of Custom Software Deliverables	57
2.256	Final Acceptance	58
2.260	Ownership	58
2.261	Ownership of Work Product by State	58
2.262	Vesting of Rights	58
2.263	Rights in Data	58
2.264	Ownership of Materials	58

<u>2.270</u>	<u>State Standards</u>	59
	<u>2.271 Existing Technology Standards</u>	59
	<u>2.272 Acceptable Use Policy</u>	59
	<u>2.273 Systems Changes</u>	59
	<u>2.274 Electronic Receipt Processing Standard</u>	59
<u>2.280</u>	<u>Extended Purchasing Program</u>	59
	<u>2.281 Extended Purchasing Program</u>	59
<u>2.290</u>	<u>Environmental Provision</u>	59
	<u>2.291 Environmental Provision</u>	59
<u>2.300</u>	<u>Deliverables</u>	61
	<u>2.301 Software</u>	61
	<u>2.302 Hardware</u>	61
<u>2.310</u>	<u>Software Warranties</u>	61
	<u>2.311 Performance Warranty</u>	61
	<u>2.312 No Surreptitious Code Warranty</u>	61
	<u>2.313 Calendar Warranty</u>	61
	<u>2.314 Third-party Software Warranty</u>	62
	<u>2.315 Physical Media Warranty</u>	62
<u>2.320</u>	<u>Software Licensing</u>	62
	<u>2.321 Cross-License, Deliverables Only, License to Contractor</u>	62
	<u>2.322 Cross-License, Deliverables and Derivative Work, License to Contractor</u>	62
	<u>2.323 License Back to the State</u>	62
	<u>2.324 License Retained by Contractor</u>	62
	<u>2.325 Pre-existing Materials for Custom Software Deliverables</u>	63
<u>2.330</u>	<u>Source Code Escrow</u>	63
	<u>2.331 Definition</u>	63
	<u>2.332 Delivery of Source Code into Escrow</u>	63
	<u>2.333 Delivery of New Source Code into Escrow</u>	63
	<u>2.334 Verification</u>	63
	<u>2.335 Escrow Fees</u>	64
	<u>2.336 Release Events</u>	64
	<u>2.337 Release Event Procedures</u>	64
	<u>2.338 License</u>	64
	<u>2.339 Derivative Works</u>	64
	<u>ATTACHMENT A – GENERAL REQUIREMENTS</u>	65
	<u>ATTACHMENT B - RESERVED</u>	76
	<u>ATTACHMENT C - ALCOHOL MONITORING</u>	76
	<u>ATTACHMENT D -- RESERVED</u>	88
	<u>ATTACHMENT E - TECHNICAL REQUIREMENTS</u>	89
	<u>ATTACHMENT F – COST TABLES</u>	121
	<u>ATTACHMENT G – Resume Template</u>	126
	<u>Glossary</u>	132
	<u>Exhibit B - Training</u>	135
	<u>Exhibit H - Warranty and Letter of Support</u>	137
	<u>Exhibit I – RETURN MERCHANDISE AUTHORIZATION (RMA)</u>	138

Article 1 – Statement of Work (SOW)

1.000 Project Identification

1.001 PROJECT REQUEST

The State of Michigan (State), through the Department of Technology, Management and Budget (DTMB) have issued this Contract on behalf of the Michigan Department of Corrections (MDOC) for the procurement of electronic alcohol monitoring technology (continuous) along with ongoing support and services as defined in Section 1.104 to monitor offenders' non-alcohol compliance.

1.002 BACKGROUND

The MDOC implemented the current electronic monitoring (EM) program in 1986 and it is now a statewide program encompassing all 83 counties. Currently there are approximately 5,150 individuals being monitored under the electronic monitoring program. Approximate populations are: 1,000 probationers, and 4,100 parolees. Department staff provides supervision for all of these offenders. In addition the Department provides monitoring services for another 50 offenders who are supervised by Probate and District Courts, County Sheriffs, the Michigan Department of Human Services, local Community Corrections offices and Tribal Courts.

The State is divided into two operational Regions. Within these Regions, Parole and Probation Agents are assigned responsibility to supervise electronically monitored offenders. In addition, the MDOC operates a 24hr/7 day Electronic Monitoring Center (EMC) located in Michigan that receives and responds to violations incurred by offenders who are wearing the various electronic monitoring devices.

MDOC currently has an inventory of approximately 1,700 Alcohol Monitoring Systems, Inc SCRAM bracelets. The MDOC uses a transdermal alcohol monitoring system which is a web-based application hosted by the Contractor. Both EMC staff and MDOC field agents have access to the system.

1.100 Scope of Work and Deliverables

1.101 IN SCOPE

The purpose of the electronic monitoring program is to protect the public by restricting the offender's freedom of movement via electronic monitoring by a Contractor with supervision provided by the Michigan Department of Corrections. It is contemplated that this program once implemented will provide a low-cost sentencing alternative to incarceration, reserving the more secure and expensive prison/jail beds for Michigan's most dangerous offenders. Under the electronic monitoring program the offender will be allowed to maintain employment, remain with family, and still be held accountable for his or her crime(s) through continuous 24-hour electronic monitoring and supervision. In addition, offenders who are able will be required to pay the cost of their electronic monitoring.

The State of Michigan (State), through the Department of Technology, Management and Budget (DTMB) have issued this Contract on behalf of the Michigan Department of Corrections (MDOC) for the procurement of electronic alcohol monitoring technology (continuous) along with ongoing support and services as defined in Section 1.104 to monitor offenders' non-alcohol compliance.

This project consists of the following scope:

- Hardware
- Software
- Training
 - End user
 - Web training
- Documentation

Operation Services
Maintenance and Support
 Help Desk
 Onsite Technical Support
Future Work

1.103 ENVIRONMENT

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

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

Enterprise IT Policies, Standards and Procedures:

<http://www.michigan.gov/dmb/0,1607,7-150-56355-107739--,00.html>

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

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

Enterprise IT Security Policy and Procedures:

http://www.michigan.gov/documents/dmb/1310_183772_7.pdf
http://www.michigan.gov/documents/dmb/1310.02_183775_7.pdf
http://www.michigan.gov/documents/dmb/1325_193160_7.pdf
http://www.michigan.gov/documents/dmb/1335_193161_7.pdf
http://www.michigan.gov/documents/dmb/1340_193162_7.pdf
http://www.michigan.gov/documents/dmb/1350.10_184594_7.pdf

The State's security environment includes:

MDTMB Single Login.
MDTMB provided SQL security database.
Secured Socket Layers.
SecureID (State Security Standard for external network access and high risk Web systems)

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

IT Strategic Plan:

<http://www.michigan.gov/itstrategicplan>

IT eMichigan Web Development Standard Tools:

http://www.michigan.gov/documents/som/Look_and_Feel_Standards_302051_7.pdf

The State Unified Information Technology Environment (SUITE):

Includes standards for project management, systems engineering, and associated forms and templates – must be followed: <http://www.michigan.gov/suite>

Agency Specific Technical Environment

Client Workstations:

Operating System - Windows XP SP3 (Windows 7 w/in next 12 months)

Browser – IE 8

EMC Middleware Solution to be hosted by the SOM:

Operating System - Windows Server 2008 R2 (Windows Server 2012 w/in next 9 months)

Database – SQL Server 2012 Enterprise

See Attachment E Technical Requirements for additional information.

1.104 Work And Deliverables

The Contractor will provide the State with electronic alcohol monitoring hardware and the monitoring software support at the cost listed within Attachment F. Cost tables.

The Contractor will provide the State with a vendor-hosted, web-based application which will include an unlimited use license for the duration of the Contract and ensure that all data is maintained and available to the State permanently.

The Contractor must meet all the requirements and deliverables set forth in Section 1.104 and the requirements as outlined in Attachment A: General Requirements, Attachment C: Alcohol Requirements, and Attachment E: Technical Requirements.

Open specifications - Brands or trade names are for identification purposes only and do not limit the Contractor to such brands or trade names; provided, the Deliverable(s) are equal in quality and function to those specified. The Contractor will not change any device manufacturer without the prior written approval of the MDOC.

The Contractor will provide a device that remotely measures transdermal vapors for the consumption of alcohol by an offender at 30 minute intervals 24 hours per day. The measurements must provide a specific transdermal alcohol concentration (TAC) measurement for use in violation and court proceedings and must meet court standards for admissibility as the sole source of confirming violation behavior. This device will be used on an offender that does not have a curfew monitoring requirement. In order to enhance public safety it is important that the MDOC knows if these offenders have consumed alcohol at any point during the day. The device will not require any active participation by the offender in the collection of the samples for the measurements.

The Contractor will provide a device designed to remotely and continuously monitor, measure, record and communicate the TAC of an offender's insensible perspiration. The system infrastructure will consist of three integrated and interchangeable hardware components (and associated software), including an ankle bracelet, base station and server. The State will not bear any additional cost if the Contractor upgrades their system infrastructure.

A. General Requirements

1. At no additional cost to the State, the Contractor must establish a toll-free hotline to 24/7/365 support for answering questions relative to the Services provided under the Contract (e.g. installation, monitoring and software). The call center will be staffed with employees that are experienced and have technical knowledge of the integrated hardware components.
2. The Contractor will have the ability to support up to 1,700 alcohol monitoring devices and more if required by the State. If leased, an additional 30% spare device ratio over the number of activated devices will be provided to the MDOC at the Contractor's expense.
3. At no additional cost to the State, the Contractor solution will have the ability to assign equipment to an offender. The MDOC will pay a daily monitoring fee only for devices which have been activated on offenders.
4. The Contractor will work out of their facility. In the event that the Contractor is required to work on site, the State may provide the necessary workspace.

5. All device consumables/supplies and tools such as, but not limited to, straps, faceplate, clips, exhaust cap, batteries, shear cutter, etc. will be provided at the Contractor's expense.
6. As technology is improved, all hardware and software upgrades offered by the Contractor will be provided to the State, at the Contractor's expense.
7. The Contractor will provide system and end user documentation, including training materials, product bulletins/updates, and other materials as MDOC deems necessary, at the Contractor's expense.
8. Contractor will provide the MDOC as needed with staff capable of providing expert testimony in court cases, at the Contractor's expense.
9. Any TAC confirmation data analysis will be performed by the Contractor, at the Contractor's expense.

B. Hardware Requirements

1. The ankle bracelet will:
 - a. House the transdermal testing sensor, tamper detection, data collection and analysis, storage and transmission circuitry.
 - b. The device will sample and measure for confirmable alcohol consumption on a 24/7/365 basis. The device will test an offender for the presence of alcohol in the body that is being emitted as vapors through the skin in 30 minute intervals.
 - c. Record the date and time of a positive measurement when the bracelet detects the presence of alcohol.
 - d. Store and transmit all readings to the base station at regular intervals until the readings have been successfully transmitted to the base station.
 - e. Detect interference, tampering or removal and will alert the system in the event of any such activity.
 - f. Store all measurements and alerts for download through a USB or similar device compatible with State of Michigan (SOM) technology where the offender does not have a land-based telephone line.
 - g. The device will be lightweight, poses no health hazard and does not unduly restrict the activities of the participant at home or at work.
 - h. The device will distinguish between ingested alcohol and environmental exposure to alcohol.
2. A base station will be located in the offender's residence and will:
 - a. Provide for bi-directional communications with the ankle bracelet and for bi-directional secure telephone connectivity with the system network.
 - b. Have the ability to be programmed for communicating with the ankle bracelet/server up to six times per day.
 - c. The base station will store all collection data until this information is successfully communicated to the server.
3. The Contractor must support all of the hardware on the Contractor's hosted solution, at the Contractor's expense.
4. The server will communicate bi-directionally with the base station and use information received from the base station to compile, analyze and record the ankle bracelet information. Access to the server should be controlled, managed, and auditable at the Contractor's expense.
5. All integrated hardware components and devices shall have all required Federal Communications Commission (FCC) certification at the Contractor's expense.
6. The integrated hardware components will use standard or digital telephone lines, wireless, cellular, or similar means to communicate between the base station and the server. The Contractor will provide plans to interact with a completely digital telephone network.

7. At no additional cost to the State, the integrated hardware components provided to the MDOC will be of the latest technology available from the manufacturer of the equipment. All devices purchased will be new equipment which have not been previously used.
8. At no additional cost to the State, The Contractor's integrated hardware components will be upgradeable and the MDOC will receive from the Contractor all new revisions, as they become available.
9. At no additional cost to the State, the Contractor's integrated hardware components will comply with the State's security standards.

C. Software System Requirements

The Contractor must support all of the software on the Contractor's hosted solution at the Contractor's expense. This includes, but is not limited to:

1. The Contractor will provide the software, hardware and system requirements necessary for any State information technology resource that will interface with the operation of the Contractor's system.
2. The system will be accessible through a web-based user interface system that allows 24/7/365 real-time access to offender data. The MDOC will have access via a toll-free telephone number from anywhere in the United States for both the communication of information from the base station to the server and for direct access by the MDOC to the server.
 - a. The Contractor will provide Critical User Support through a toll free number that is available during Extended Business Hours. The call center will be staffed with employees that are experienced and have technical knowledge of the integrated hardware components.
 - b. The Contractor will provide Non-Critical User Support through email with a guaranteed one hour acknowledgement of receipt of issue with an appropriate timeframe for resolution.
 - c. The system will allow 24/7/365 user and administrative access and to meet the requirements set by regulating agencies and/or institutions.
3. The Contractor will provide a breakdown of the various response times found in the complete system. These response times include but are not limited to screen transition, report generation, device communication, and retrieval of historical data.
4. The system must be capable of performing Data Integrity as part of normal maintenance and after restoration of data files.
5. The system must allow on-site administrator access for configuration of the system.
6. The Contractor will provide the following with regards to software releases:
 - a. The Contractor must provide the number of releases scheduled per year and the anticipated release dates of all software release to the State. The Contractor will configure and deploy the software release. All software releases, including those installed on State equipment, must comply with State IT policies, standards and procedures and State software and equipment standards.
 - b. All scheduled releases must be delivered to the MDOC and implemented based upon the schedule agreed to by the MDOC, DTMB and the Contractor.
 - c. All software releases will be fully tested at the Contractor site with a comparable system to the current MDOC environment at the Contractor's expense. MDOC and DTMB staff will be allowed to fully test the software releases to ensure compliance with State IT policies, standards and procedures at least three months prior to the anticipated release date. Modifications to the required testing duration must be approved by the State.
 - d. The Contractor will provide support for upgrades, releases, etc. to ensure an operational production environment.
7. The system must have the ability to handle "surge capacity" in times of emergency and crisis, without the shutdown of the system and/or limitation on the number of users.
8. The system must have a means of "journaling" to ensure that data is not lost from the time of the last backup to the time the system failure occurred,

9. The system must keep a complete audit trail of all entries and edits within the system which includes, but is not limited to, reports, tests, database items, etc.
10. The system must be fully compliant with HIPPA regulations, standards, requirements, guidelines and grants, as well as comply with all Federal and State government, laws, regulations, requirements, guidelines and grants.
11. The system will collect, transfer and store historical participant information 24/7/365 in an encrypted manner compatible with SOM technology and retrievable upon authorized request.
12. Allow authorized MDOC staff secure encrypted web-based software access to perform enrollments, deletions, inventory control, and alert processing; set up schedules, and view, print, or download offender monitoring data.
13. All offender information collected by this device must be stored in a retrievable format and retained for a minimum of seven years.
14. At a minimum the system database will contain the following:
 - a. Field Office Information: Field Office name, Field Office code, Field Office Address, Field Office Supervisor name, Field Office Supervisor telephone including extension and fax numbers, Field Office Supervisor email address, Field Office Supervisor after hours phone number and contact instructions
 - b. Region Office Information: Region Office Name
 - c. Supervising Agent Information: Supervising Agent name, Supervising Agent office address, Supervising Agent office telephone including extension and fax numbers, Supervising Agent email address
 - d. Offender information: Offender Name, Offender MDOC number, Offender Address, Offender Phone number #1 and #2, Offender Supervision Level, Monitoring Equipment Serial Identification numbers, Alerts & History, Alert comments/case notes, Monitoring start date, Monitoring end date, Reason for removal
15. MDOC staff must have the ability to enter case notes on each generated alert.

D. Training: The Contractor will provide training services and deliverables for identified staff for both the hardware and software as detailed below and in Exhibit B- Training, at no additional cost to the State. This includes, but is not limited to:

1. Administration, end user and train-the trainer training will be provided by the Contractor on site and include the use and deployment of the system. Training will be conducted for all EMC staff. The Contractor will provide on-going and supplemental training offerings either on-site or via web based programs as requested by the State. Training will be provided for State staff at the sole discretion of the State.
2. The Contractor will provide system administration (user management, State personnel who will be responsible for ongoing maintenance and administration of the system, including security, inventory control, etc.) training, and use of any ad hoc report writing software.
3. System administrator training should occur first and directly before the training of EMC staff.
4. The Contractor will configure the applications including establishing databases and interfaces, data conversion, customization, and upgrading the customized software. The Contractor will provide technical training to the State as needed.
5. The Contractor will provide written instructions to the State on how to install/affix the device(s) to offenders and how to service.
6. The Contractor will provide all training manuals, training plans and other documentation to the State. Training manuals must include instruction on application usage, equipment installation and function, and a troubleshooting section to assist in resolving problems.
7. SOM may reproduce and distribute all training materials provided. All training manuals will be made available to the SOM in electronic format.
8. The Contractor will work in cooperation with the SOM in scheduling training sessions.

9. Software and Equipment Upgrade Training: Training on software releases and hardware changes will be provided for SOM staff at the sole discretion of the SOM. Training will be held at various locations through the SOM, identified as, but not limited to Grand Rapids, Lansing, Detroit, Gaylord, Flint and Marquette. Estimated participants: 800.
10. Ongoing and Supplemental Training: Ongoing training, on-site or web-based, will be provided for SOM staff at the sole discretion of the SOM. Training will be held at various locations through the SOM, identified as, but not limited to Grand Rapids, Lansing, Detroit, Gaylord, Flint and Marquette. Estimated participants: 800.
11. The Contractor will provide all training manuals, training plans and other documentation to the State. Training manuals must include instruction on application usage, equipment installation, and functioning, and a troubleshooting section to assist in resolving problems.
12. The Contractor will supply all materials and equipment for training. Equipment will be used by participants during the interactive training session.
13. The Contractor will provide initial start-up training that will include, but not be limited to, the following:
 - a. The enrollment of participants into the software system.
 - b. The installation, use, de-installation, and cleaning of the equipment.
 - c. The generation and interpretation of data/monitoring reports.
 - d. Accessing/using Contractor's technical support/help menus and monitoring center

Upgrades and new versions to the system that affect end-user functionality include (e.g. classroom or online training, training flier, release features, etc.)

Training is provided in a variety of formats for product installation, use, and administration for a variety of levels (e.g. basic, advanced, refresher, etc.)

All training manuals, training plans and other documentation provided become the property of the State.

E. Technical Support:

1. At no additional cost to the State, the Contractor will provide equipment installation and troubleshooting technical support via a toll-free telephone number 24/7/365. The call center will be staffed with employees that are experienced and have technical knowledge of the integrated hardware components and system software.
2. The Contractor will provide system application software technical support and database management 24/7/365. These services will include bug-fixes, workarounds, code rewrites, documentation updates, etc. at the Contractor's expense.
3. The Contractor will also provide regular off-site data storage and backup Services for the State at the Contractor's expense.
4. The State is in the process of interfacing current Contractor systems with the State's offender system(s) to produce an event reporting dashboard. This project is considered to be the "middleware solution". The Contractor will work with the State to provide all deliverables applicable to the MDOC EMC middleware solution. It is anticipated that the State will not incur any costs for this project, however, should the scope of the project change, costs will be assessed and then agreed to by both parties before work commences.
5. Disaster Recovery: The Contractor will provide the MDOC with a fully functioning Disaster Recovery solution. The Contractor will provide the details of such solution within 15 days of the execution of this Contract to DTMB for review of the Contractor's hosting solution. If the DTMB determines that the infrastructure solution does not support the required environment then DTMB has as the option to require that the Contractor bring the environment up to state standards at the Contractor's expense.
 - a. For security reasons the MDOC's data shall be stored on a dedicated server within each hosting center.

- b. The server will be in a high availability clustered environment with automatic failover.
- c. The Disaster Recovery solution will be tested at least once a year.

F. Shipping of Equipment/Supplies: Regardless of work location, the Contractor will be responsible for the cost of shipping and delivery for all electronic monitoring equipment and supplies throughout the period of service. In addition, the Contractor will be responsible for all shipping costs related to repairs and/or maintenance of equipment which is not fully functioning through no fault of DOC staff, DOC designee, or the offender(s).

1. The delivery service used will track receipt of shipments and make such tracking information available to MDOC via the Internet.

G. Device Warranty and Maintenance: For warranty and letter of support see Exhibit H. To ensure that proper working order of the devices and devices will continue to meet or exceed published specifications, all maintenance and recalibration of integrated hardware components will be provided by the Contractor at no additional cost to the State. See scheduled maintenance return merchandise authorization (RMA) in Exhibit I for additional details for the ongoing and routine maintenance and recalibration program.

1. The Contractor will ensure that all equipment used will be the current version and will be new or perform "like new" (if leased) at no additional cost. All equipment will be continuously upgraded through the life of the Contract, with the DOC receiving the latest version.
2. The devices will be brought back to the Contractor once per year for re-calibration.
3. The Contractor will send reminder notices to the MDOC no less than monthly by the ankle bracelet serial numbers which are scheduled for periodic maintenance and recalibration services within the following thirty (30) days.
 - a. The MDOC will be responsible for collecting these identified ankle bracelets from offenders and for shipping them to the Contractor, at the Contractor's expense, by a delivery service that tracks receipt of shipments and makes such tracking information available via the Internet.

H. Reports: At no additional cost to the State, the Contractor will provide, but not limited to, the following reports:

1. Reports must be available in the software and must include, but not be limited to the following:
 - a. Daily Violation Reports – reports which indicate the number of alerts generated by an offender or group of offenders during a specified time and date query.
 - b. Inventory/ Equipment Reports – reports which indicate the amount of equipment that is assigned to all offices. The reports will list the current status of the equipment (i.e. assigned or unassigned). The reports will also allow queries which indicate the system history that will show previous offenders who were assigned to the equipment.
 - c. Offender Population Reports – reports which indicate offender population by agent, office, and region.
 - d. Offender Status Reports – reports which indicate the offender's current status (i.e. alert status, compliant status) in summary, or "at a glance" form.
 - e. Offender Violation Court Reports – a report that is created by the Contractor detailing offender information, the specified alert information, and the supporting documentation that a violation occurred.
 - f. Incomplete Offender Hardware Assignment – a report which identifies offenders who have been enrolled in the system but who do not have devices assigned.
 - g. Offender Demographic Reports – reports which indicate offender demographic or offense information which may be used for statistical gathering. This would also include the reason for the offender's removal from the technology.
 - h. Offender Alerts – reports which indicate all alerts generated by a specific offender or group of offenders during a specific time and date query.

- i. Pending Activation / De-Activation Report – a report that indicates equipment that has been assigned to an offender but not activated or is pending de-activation.
 - 2. The MDOC will have the ability to request additional customized reports which will be provided within 30 business days. Data accessible will include offender data and staff activity data to ensure compliance with department policies and procedures. Offender data which may be requested in customized reports includes, but is not limited to:
 - a. Field Office Information: Field Office name, Field Office code, Field Office Supervisor name
 - b. Region Office Information: Region Office Name
 - c. Supervising Agent Information: Supervising Agent name, Supervising Agent office telephone, Supervising Agent email address
 - d. Offender Information: Offender Name, Offender MDOC number, Offender Address, all Offender Phone numbers, Offender Status
 - e. Equipment Information: Monitoring Equipment Serial Identification numbers, High profile offender designation, Monitoring start date and/or end date, Reason for removal, any alerts, equipment previously assigned and/or removed from an offender.
- I. **Documentation:** At no additional cost to the State, the Contractor will provide, but is not limited to, the following documentation:
 - 1. User manuals
 - 2. Technical manuals
 - I. A minimum of two (2) copies of the following documentation in an electronic format, online or in hard copy will be provided:
 - a. User and Technical Manuals - On-line and Hard Copy
 - b. Data Element Dictionary
 - c. Operations Manual
 - d. All updates of documentation during the term of the Contract, software license and maintenance agreement
 - II. The following documentation is provided for all modules and program development:
 - a. System-wide documentation and specifications
 - b. Baseline End-User training manuals to be used as a basis for “User Manuals” and online help
 - c. Installation procedure
 - d. Module configuration documents sufficient for configuration maintenance purposes
 - e. Testing scripts
 - f. Specification documentation
 - g. Production migration
 - III. The documentation of components, features, and use of the hardware/software will be detailed such that resolution of most problems can be determined from the documentation, and most questions can be answered.
 - IV. All system, operational, user, change, and issue documentation must be available in electronic format, published to an intranet website, accessible to State users, updated regularly, with unique numerical identifiers for each section and be consistent with the most current version of the application(s) and three (3) previous versions.
 - V. All system, operations, user, change and issue documentation is to be organized in a format, which is approved by the State and facilitates updating and allows for revisions to the documentation to be clearly identified including the three (3) previous versions.
 - VI. The Contractor must develop and submit for State approval complete, accurate, and timely system, operations, and user documentation.
 - VII. The Contractor must notify the State of any discrepancies or errors outlined in the system, operations, and user documentation.

J. Future Work :

The State may require additional electronic alcohol monitoring hardware, support and services to support the needs of the State.

Future services and/or products to meet new requirements that may result from any or all of the following examples:

- A. New State policy requirements,
- B. New Federal regulations, or
- C. New technology requested by the State.

Future work may include, but is not all inclusive:

- A. Interoperability development with other applications - Contractor may provide the ability to request and complete integrations or interoperability with other products or services of the software.
- B. System Interface Adjustments & New Interfaces – Contractor may provide the ability to request and complete changes or customizations to the application user interface of the software.

The Contractor must be able to respond with costs and timelines to all requests to meet future work. Future work must be dependent upon mutually agreed upon statement(s) of work (SOW) between the Contractor and the State of Michigan. Once agreed to, the Contractor must not be obliged or authorized to commence any work to implement a statement of work until authorized via a purchase order issued against this Contract.

Each Statement of Work will include:

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

The parties agree that the Services/Deliverables to be rendered by Contractor pursuant to this Contract (and any future amendments of it) will be defined and described in detail in a SOW.

ALL Acceptance Criteria

High-level acceptance criteria for Work and Deliverables are listed in Section 1.104 and 1.501.

1.200 Roles and Responsibilities

1.201 CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES

A. Contractor Staff

The Contractor's Key Personnel resumes are located in Attachment G. This staff will be assigned to the Contract, indicating the duties/responsibilities and qualifications of such personnel, and stating the amount of time each will be assigned to the project. The competence of the personnel the Contractor proposes for this project will be measured by the candidate's education and experience with particular reference to experience on similar projects as described in this Statement of Work. The Contractor has provided a letter of commitment for Key Personnel, signed by the identified resource, stating their commitment to work for the Contractor on this project.

All Key Personnel may be subject to the State's interview and approval process. Any key staff substitution must have the prior approval of the State. The following has been identified as key personnel for this project:

- **Project Manager**
- **Account Manager**

The Contractor has identified **Jason Tizedes/ Richard Irreras** the Project Manager to interact with the designated personnel from the State to insure a smooth transition to the new system. The project manager will coordinate all of the activities of the Contractor personnel assigned to the project and create all reports required by State. The Contractor's project manager responsibilities include, at a minimum:

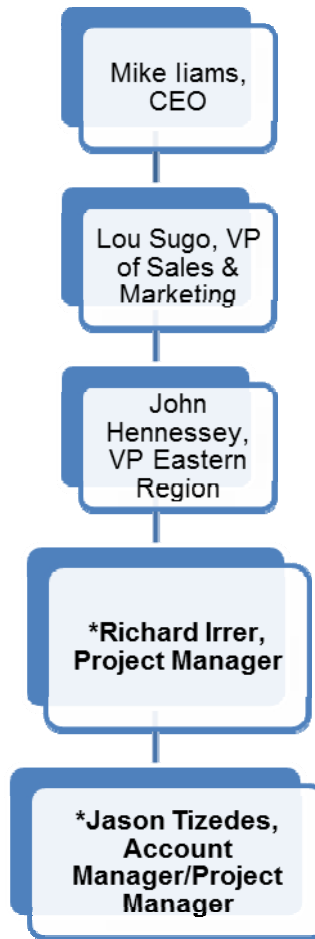
- Manage all defined Contractor responsibilities in this Scope of Services.
- Manage Contractor's Subcontractors, if any
- Develop the project plan and schedule, and update as needed
- Serve as the point person for all project issues
- Coordinate and oversee the day-to-day project activities of the project team
- Assess and report project feedback and status
- Escalate project issues, project risks, and other concerns
- Review all project deliverables and provide feedback
- Proactively propose/suggest options and alternatives for consideration
- Utilize change control procedures
- Prepare project documents and materials
- Manage and report on the project's budget

The Contractor has also identified Jason Tizedes/**Richard Irrer** as the Single Point of Contact (SPOC). The duties of the SPOC will include, but not be limited to:

- supporting the management of the Contract,
- facilitating dispute resolution, and
- advising the State of performance under the terms and conditions of the Contract.

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.

Attachment G contains all resumes for key personnel. In addition, following is a flow chart with key personnel indicated, as well as a Roles and Responsibilities Matrix.



* Indicates identified key personnel for Michigan DOC Contract.

Roles and Responsibilities Matrix	
Roles and Responsibilities	Organization/Personnel
Training	AMS/Jason Tizedes, Account Manager
Day-to-day tasks/operations	AMS/Jason Tizedes, Account Manager
Operational Development	AMS/Jason Tizedes, Account Manager
Oversee project implementation.	AMS/Richard Irrer, Project Manager AMS/Jason Tizedes, Account Manager DTMB, DOC/Project Managers
Support the management of the Contract	AMS/Richard Irrer, Project Manager AMS/Jason Tizedes, Account Manager DTMB, Contract Administrator
Facilitating dispute resolution	AMS/Richard Irrer, Project Manager AMS/Jason Tizedes, Account Manager

	DTMB, DOC/Executive Subject Matter Experts or Project Managers depending on degree and level
Advise DTMB of performance under the terms and conditions of the Contract.	AMS/Richard Irrer, Project Manager AMS/Jason Tizedes, Account Manager DOC/Project Manager
Ensure staff understands the work to be performed on SOW to which they are assigned.	AMS/Richard Irrer, Project Manager AMS/Jason Tizedes, Account Manager DOC/Project Manager
Ensure staff know their management chain and adhere to Contractor policies and exhibit professional conduct to perform in the best interest of the State.	AMS/Richard Irrer, Project Manager AMS/Jason Tizedes, Account Manager
Ensure staff adheres to applicable laws, regulations, and Contract conditions governing Contractor performance and relationships with the State.	AMS/Richard Irrer, Project Manager AMS/Jason Tizedes, Account Manager
Ensure high quality results are achieved through task performance.	AMS/Richard Irrer, Project Manager AMS/Jason Tizedes, Account Manager
Available to meet on an as needed basis to resolve issues related to services.	AMS/Richard Irrer, Project Manager AMS/Jason Tizedes, Account Manager DTMB, DOC/Project Managers
Available during normal State hours of operation – 8:00 am to 6:00 pm, Monday through Friday, excluding State holidays.	AMS/Richard Irrer, Project Manager AMS/Jason Tizedes, Account Manager DTMB, DOC/Project Managers
Will ensure that there is an after-hours method of contact for emergency or mission critical operations support.	AMS/Richard Irrer, Project Manager AMS/Jason Tizedes, Account Manager DOC/Project Manager
Will ensure that any workstations and/or required software licenses provided, based on the SOW requests.	AMS/Richard Irrer, Project Manager AMS/Jason Tizedes, Account Manager

Contractor has indicated no Subcontractors are required to support this Contract. If Subcontractors are required, the Contractor will provide details pertaining to the Subcontractor, including firm name, address, contact person, and a complete description of the work to be contracted. It will also include descriptive information concerning Subcontractor's organization and abilities.

The Contractor will provide sufficient qualified staffing to satisfy the deliverables of this Statement of Work.

B. On Site Work Requirements

1. Location of Work

The work is to be performed, completed, and managed at the following locations:

Various locations throughout Michigan, but not limited to Grand Rapids, Lansing, Detroit, Gaylord, Flint and Marquette

2. Hours of Operation:

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

3. Travel:

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

4. Additional Security and Background Check Requirements:

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

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

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

1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES

The State will provide the following resources for the Contractor’s use on this project

- Work space
- Minimal clerical support
- Desk
- Telephone
- PC workstation
- Printer
- Access to copiers and fax machine

The State project team will consist of project support, and a MDTMB and Agency project manager:

State Project Manager- (MDTMB and Agency)

MDTMB will provide a Project Manager who will be responsible for the State’s infrastructure and coordinate with the Contractor in determining the system configuration.

The State’s Project Manager will provide the following services:

- Provide State facilities, as needed
- Coordinate the State resources necessary for the project
- Facilitate coordination between various external Contractors
- Facilitate communication between different State departments/divisions
- Provide acceptance and sign-off of deliverable/milestone
- Review and sign-off of timesheets and invoices
- Resolve project issues
- Escalate outstanding/high priority issues
- Utilize change control procedures
- Conduct regular and ongoing review of the project to confirm that it meets original objectives and requirements
- Document and archive all important project decisions
- Arrange, schedule and facilitate State staff attendance at all project meetings.
- Supporting the management of the Contract

Name	Agency/Division	Title
------	-----------------	-------

David Enslin	DTMB	Project Manager
Greg Roach	MDOC	Project Manager
Sheila Wilson	MDOC	Project Manager

MDTMB will provide a Contract Administrator whose duties will include, but not be limited to, supporting the management of the Contract.

Name	Agency/Division	Title
Whitnie Zuker	DTMB Procurement	Contract Administrator

1.203 OTHER ROLES AND RESPONSIBILITIES-RESERVED

1.300 Project Plan

1.301 PROJECT PLAN MANAGEMENT

Preliminary Project Plan

Contractor will provide a Preliminary Project Plan within five (5) days of the Contract execution, including necessary time frames and deliverables for the various stages of the project and the responsibilities and obligations of both the Contractor and the State.

1. In particular, the Preliminary Project Plan will include a MS Project plan or equivalent (check the SUITE/PMM standard):
 - a. A description of the deliverables to be provided under this Contract.
 - b. Target dates and critical paths for the deliverables.
 - c. Identification of roles and responsibilities, including the organization responsible. Contractor is to provide a roles and responsibility matrix.
 - d. The labor, hardware, materials and supplies required to be provided by the State in meeting the target dates established in the Preliminary Project Plan.
 - e. Internal milestones
 - f. Task durations
2. The Preliminary Project Plan will include the following deliverable/milestones for which payment will be made.
 - a. Payment to the Contractor will be made upon the completion and acceptance of the deliverable or milestone, not to exceed Contractual costs of the phase. A milestone is defined as complete when all of the deliverables within the milestone have been completed.
 - b. Failure to provide deliverable/milestone by the identified date may be subject to liquidated damages as identified in Article 2.

Note: A Final Project Plan will be required as stated in Article 1, Section 1.301 (C) Project Control.

Orientation Meeting

Upon 10 calendar days from execution of the Contract, the Contractor will be required to attend an orientation meeting to discuss the content and procedures of the Contract. The meeting will be held in Lansing, Michigan, at a date and time mutually acceptable to the State and the Contractor. The State will bear no cost for the time and travel of the Contractor for attendance at the meeting.

Performance Review Meetings

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

Project Control

1. The Contractor will carry out this project under the direction and control of MDTMB,DOC.
2. Within 30 working days of the execution of the Contract, the Contractor will submit to the State project manager(s) for final approval of the project plan. This project plan must be in agreement with Article 1, Section 1.104 Work and Deliverables, and must include the following:

The Contractor's project organizational structure.

The Contractor's staffing table with names and title of personnel assigned to the project. This must be in agreement with staffing of accepted proposal. Necessary substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.

The project work breakdown structure (WBS) showing sub-projects, activities and tasks, and resources required and allocated to each.

The time-phased plan in the form of a graphic display, showing each event, task, and decision point in the WBS.

3. The Contractor will manage the project in accordance with the State Unified Information Technology Environment (SUITE) methodology, which includes standards for project management, systems engineering, and associated forms and templates which is available at <http://www.michigan.gov/suite>
 - a. Contractor will use an automated tool for planning, monitoring, and tracking the Contractor's progress and the level of effort of any Contractor personnel spent performing Services under the Contract. The tool will have the capability to produce:
 - Staffing tables with names of personnel assigned to Contract tasks.
 - Project plans showing tasks, subtasks, deliverables, and the resources required and allocated to each (including detailed plans for all Services to be performed within the next 30 calendar days, updated semi-monthly).
 - Updates must include actual time spent on each task and a revised estimate to complete.
 - Graphs showing critical events, dependencies and decision points during the course of the Contract.
 - b. Any tool(s) used by Contractor for such purposes must produce information of a type and in a manner and format that will support reporting in compliance with the State standards.

1.302 REPORTS

Reporting formats must be submitted to the State's Project Manager for approval within 20 business days after the execution of the Contract. Once both parties have agreed to the format of the report, it will become the standard to follow for the duration of the Contract.

See Report requirements as outlined in Section 1.104 and Attachment A: General Requirements; Attachment C: Alcohol Requirements; and Attachment E: Technical Requirements..

1.400 Project Management

1.401 ISSUE MANAGEMENT

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

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

- Description of issue
- Issue identification date
- Responsibility for resolving issue.
- Priority for issue resolution (to be mutually agreed upon by the State and the Contractor)
- Resources assigned responsibility for resolution
- Resolution date
- Resolution description

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

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

1.402 RISK MANAGEMENT

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

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

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

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

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

1.403 CHANGE MANAGEMENT

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

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

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

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

1.500 Acceptance

1.501 CRITERIA

The specific payment schedule for the Contract will be mutually agreed upon by the State and the Contractor. The schedule should show payment amount and should reflect actual work done by the payment dates, less any penalty cost charges accrued by those dates. Statements will be forwarded to the designated State of Michigan representative by the 15th day of the following month.

1.502 FINAL ACCEPTANCE

Unless otherwise stated in the Statement of Work, "Final Acceptance" of a Deliverable occurs when that Work and Deliverable has been accepted by the State following the applicable State Review Period.

1.600 Compensation and Payment

1.601 COMPENSATION AND PAYMENT

Method of Payment

The project will be paid as a firm, fixed priced, deliverable-based Contract. Payment will be made based upon acceptance of a Deliverable. Deliverables will be either a physical deliverable or a service deliverable. Service deliverables will be invoiced on a monthly basis. Physical deliverables will be invoiced upon acceptance of the Deliverable. See Attachment F: Cost Tables.

The State is not obligated to spend the full amount allocated in the Contract. The State reserves the right to add or reduce the allocation of funds to the Contract. The State reserves the right to buy hardware, software and services through other State Contracts.

Prices quoted will be firm for the entire length of the Contract. For any options to renew (see Section 2.002), prices will be held at the same Contract rates. However, if Contractor reduces its prices for any of the products or services during the term of the Contract, the State shall have the immediate benefit of such lower prices for new purchases. Contractor shall send notice to the State's DTMB Procurement Buyer with the reduced prices within fifteen (15) Business Days of the reduction taking effect.

The Contractor will be required to submit an Administrative Fee of 1% (see Section 2.031) on all payments remitted under the Contract.

Extended purchasing program volume requirements are not included, unless stated otherwise.

Travel

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

Statements of Work

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

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

The parties agree that the Services/Deliverables to be rendered by Contractor pursuant to this Contract (and any future amendments of it) will be defined and described in detail in Statements of Work or Purchase Orders (PO) executed under this Contract.

Invoicing

Contractor shall not be obliged or authorized to commence any work orders until authorized via a PO issued against this Contract. Contractor shall perform in accordance with this Contract, including the Statement of Work and Purchase Orders executed under it.

Contractor will submit properly itemized invoices to

DTMB – Financial Services
Accounts Payable

P.O. Box 30026
Lansing, MI 48909

or

DTMB-Accounts-Payable@michigan.gov

. Invoices must provide and itemize, as applicable:

Contract number;

Purchase Order number

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

Description of any commodities/hardware, including quantity ordered;

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

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

Maintenance charges;

Net invoice price for each item;

Shipping costs;

Other applicable charges;

Total invoice price; and

Payment terms, including any available prompt payment discount.

The State may pay maintenance and support charges on a monthly basis, in arrears. Payment of maintenance service/support of less than one (1) month's duration will be prorated at 1/30th of the basic monthly maintenance charges for each calendar day.

Incorrect or incomplete invoices will be returned to Contractor for correction and reissue.

1.602 HOLDBACK-RESERVED

Article 2, Terms and Conditions

2.000 Contract Structure and Term

2.001 CONTRACT TERM

This Contract is for a period of 5 years beginning June 1, 2014 through May 31, 2019. All outstanding Purchase Orders must also expire upon the termination for any of the reasons listed in **Section 2.150** of the Contract, unless otherwise extended under the Contract. Absent an early termination for any reason, Purchase Orders issued but not expired, by the end of the Contract's stated term, shall remain in effect for the balance of the fiscal year for which they were issued.

2.002 OPTIONS TO RENEW

This Contract may be renewed in writing by mutual agreement of the parties not less than 30 days before its expiration. The Contract may be renewed for up to 5 additional 1 year periods.

2.003 LEGAL EFFECT

Contractor accepts this Contract by signing two copies of the Contract and returning them to the DTMB-Procurement. The Contractor shall not proceed with the performance of the work to be done under the Contract, including the purchase of necessary materials, until both parties have signed the Contract to show acceptance of its terms, and the Contractor receives a Contract release/purchase order that authorizes and defines specific performance requirements.

Except as otherwise agreed in writing by the parties, the State shall not be liable for costs incurred by Contractor or payment under this Contract, until Contractor is notified in writing that this Contract or Change Order has been approved by the State Administrative Board (if required), signed by all the parties and a Purchase Order against the Contract has been issued.

2.004 ATTACHMENTS & EXHIBITS

All Attachments and Exhibits affixed to any and all Statement(s) of Work, or appended to or referencing this Contract, are incorporated in their entirety and form part of this Contract.

2.005 ORDERING

The State must issue an approved written Purchase Order, Blanket Purchase Order, Direct Voucher or Procurement Card Order to order any Services/Deliverables under this Contract. All orders are subject to the terms and conditions of this Contract. No additional terms and conditions contained on either a Purchase Order or Blanket Purchase Order apply unless they are specifically contained in that Purchase Order or Blanket Purchase Order's accompanying Statement of Work. Exact quantities to be purchased are unknown; however, the Contractor will be required to furnish all such materials and services as may be ordered during the Contract period. Quantities specified, if any, are estimates based on prior purchases, and the State is not obligated to purchase in these or any other quantities.

2.006 ORDER OF PRECEDENCE

The Contract, including any Statements of Work and Exhibits, to the extent not contrary to the Contract, each of which is incorporated for all purposes, constitutes the entire agreement between the parties with respect to the subject matter and supersedes all prior agreements, whether written or oral, with respect to the subject matter and as additional terms and conditions on the purchase order must apply as limited by **Section 2.005**.

In the event of any inconsistency between the terms of the Contract and a Statement of Work, the terms of the Statement of Work shall take precedence (as to that Statement of Work only); provided, however, that a Statement of Work may not modify or amend the terms of the Contract. The Contract may be modified or amended only by a formal Contract amendment.

2.007 HEADINGS

Captions and headings used in the Contract are for information and organization purposes. Captions and headings, including inaccurate references, do not, in any way, define or limit the requirements or terms and conditions of the Contract.

2.008 FORM, FUNCTION & UTILITY

If the Contract is for use of more than one State agency and if the Deliverable/Service does not meet the form, function, and utility required by that State agency, that agency may, subject to State purchasing policies, procure the Deliverable/Service from another source.

2.009 REFORMATION AND SEVERABILITY

Each provision of the Contract is severable from all other provisions of the Contract and, if one or more of the provisions of the Contract is declared invalid, the remaining provisions of the Contract remain in full force and effect.

2.010 Consents and Approvals

Except as expressly provided otherwise in the Contract, if either party requires the consent or approval of the other party for the taking of any action under the Contract, the consent or approval must be in writing and must not be unreasonably withheld or delayed.

2.011 NO WAIVER OF DEFAULT

If a party fails to insist upon strict adherence to any term of the Contract then the party has not waived the right to later insist upon strict adherence to that term, or any other term, of the Contract.

2.012 SURVIVAL

Any provisions of the Contract that impose continuing obligations on the parties, including without limitation the parties' respective warranty, indemnity and confidentiality obligations, survive the expiration or termination of the Contract for any reason. Specific references to survival in the Contract are solely for identification purposes and not meant to limit or prevent the survival of any other section

2.020 Contract Administration

2.021 ISSUING OFFICE

This Contract is issued by the Department of Technology, Management and Budget, Procurement and Department of Corrections (collectively, including all other relevant State of Michigan departments and agencies, the "State"). DTMB-Procurement is the sole point of contact in the State with regard to all procurement and Contractual matters relating to the Contract. The DTMB-Procurement Contract Administrator for this Contract is:

Whitnie Zuker
DTMB – Procurement
Buyer, IT Division
Constitution Hall – 1st Floor
525 W. Allegan Street
Lansing, MI 48933
Phone: 517-284-7030
Fax: 517-335-0046
Email: zukerw@michigan.gov

2.022 CONTRACT COMPLIANCE INSPECTOR

The Director of DTMB-Procurement directs the person named below, or his or her designee, to monitor and coordinate the activities for the Contract on a day-to-day basis during its term. **Monitoring Contract activities does not imply the authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions and specifications of the Contract. DTMB-Procurement is the only State office authorized to change, modify, amend, alter or clarify the prices, specifications, terms and conditions of this Contract.** The Contract Compliance Inspector for this Contract is:

Greg Roach, Manager

Electronic Monitoring Program
Michigan Department of Corrections
1305 S. Washington, Suite 103
Lansing, MI 48910
(517) 334-7370
Roachg1@michigan.gov

2.023 PROJECT MANAGER

The following individual will oversee the project:

Greg Roach, Manager
Electronic Monitoring Program
Michigan Department of Corrections
1305 S. Washington, Suite 103
Lansing, MI 48910
(517) 334-7370
Roachg1@michigan.gov

2.024 CHANGE REQUESTS

The State reserves the right to request from time to time any changes to the requirements and specifications of the Contract and the work to be performed by the Contractor under the Contract. During the course of ordinary business, it may become necessary for the State to discontinue certain business practices or create Additional Services/Deliverables. At a minimum, to the extent applicable, Contractor shall provide a detailed outline of all work to be done, including tasks necessary to accomplish the Additional Services/Deliverables, timeframes, listing of key personnel assigned, estimated hours for each individual per task, and a complete and detailed cost justification.

If the State requests or directs the Contractor to perform any Services/Deliverables that are outside the scope of the Contractor's responsibilities under the Contract ("New Work"), the Contractor must notify the State promptly before commencing performance of the requested activities it believes are New Work. If the Contractor fails to notify the State before commencing performance of the requested activities, any such activities performed before the Contractor gives notice shall be conclusively considered to be in-scope Services/Deliverables and not New Work.

If the State requests or directs the Contractor to perform any services or provide deliverables that are consistent with and similar to the Services/Deliverables being provided by the Contractor under the Contract, but which the Contractor reasonably and in good faith believes are not included within the Statements of Work, then before performing such Services or providing such Deliverables, the Contractor shall notify the State in writing that it considers the Services or Deliverables to be an Additional Service/Deliverable for which the Contractor should receive additional compensation. If the Contractor does not so notify the State, the Contractor shall have no right to claim thereafter that it is entitled to additional compensation for performing that Service or providing that Deliverable. If the Contractor does so notify the State, then such a Service or Deliverable shall be governed by the Change Request procedure in this Section.

In the event prices or service levels are not acceptable to the State, the Additional Services or New Work shall be subject to competitive bidding based upon the specifications.

(1) **Change Request at State Request**

If the State requires Contractor to perform New Work, Additional Services or make changes to the Services that would affect the Contract completion schedule or the amount of compensation due Contractor (a "Change"), the State shall submit a written request for Contractor to furnish a proposal for carrying out the requested Change (a "Change Request").

(2) **Contractor Recommendation for Change Requests:**

Contractor shall be entitled to propose a Change to the State, on its own initiative, should Contractor believe the proposed Change would benefit the Contract.

(3) **Upon receipt of a Change Request or on its own initiative, Contractor shall examine the implications of the requested Change on the technical specifications, Contract schedule and price of the Deliverables and**

Services and shall submit to the State without undue delay a written proposal for carrying out the Change. Contractor's proposal shall include any associated changes in the technical specifications, Contract schedule and price and method of pricing of the Services. If the Change is to be performed on a time and materials basis, the Amendment Labor Rates shall apply to the provision of such Services. If Contractor provides a written proposal and should Contractor be of the opinion that a requested Change is not to be recommended, it shall communicate its opinion to the State but shall nevertheless carry out the Change as specified in the written proposal if the State directs it to do so.

- (4) By giving Contractor written notice within a reasonable time, the State shall be entitled to accept a Contractor proposal for Change, to reject it, or to reach another agreement with Contractor. Should the parties agree on carrying out a Change, a written Contract Change Notice must be prepared and issued under this Contract, describing the Change and its effects on the Services and any affected components of this Contract (a "Contract Change Notice").
- (5) No proposed Change shall be performed until the proposed Change has been specified in a duly executed Contract Change Notice issued by the Department of Technology, Management and Budget, Procurement.
- (6) If the State requests or directs the Contractor to perform any activities that Contractor believes constitute a Change, the Contractor must notify the State that it believes the requested activities are a Change before beginning to work on the requested activities. If the Contractor fails to notify the State before beginning to work on the requested activities, then the Contractor waives any right to assert any claim for additional compensation or time for performing the requested activities. If the Contractor commences performing work outside the scope of this Contract and then ceases performing that work, the Contractor must, at the request of the State, retract any out-of-scope work that would adversely affect the Contract.

2.025 NOTICES

Any notice given to a party under the Contract must be deemed effective, if addressed to the party as addressed below, upon: (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this Section; (iii) the third Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.

State:
State of Michigan
Procurement
Attention: Whitnie Zuker
PO Box 30026
530 West Allegan
Lansing, Michigan 48909

Lou Sugo, Vice President of Sales and Marketing
Address: 1241 West Mineral Avenue, Suite 200
Littleton, CO 80120
E-mail: lsugo@alcoholmonitoring.com
Fax: 303-791-4262

Either party may change its address where notices are to be sent by giving notice according to this Section.

2.026 BINDING COMMITMENTS

Representatives of Contractor must have the authority to make binding commitments on Contractor's behalf within the bounds set forth in the Contract. Contractor may change the representatives from time to time upon giving written notice.

2.027 RELATIONSHIP OF THE PARTIES

The relationship between the State and Contractor is that of client and independent Contractor. No agent, employee, or servant of Contractor or any of its Subcontractors shall be deemed to be an employee, agent or servant of the State for any reason. Contractor shall be solely and entirely responsible for its acts and the acts of its agents, employees, servants and Subcontractors during the performance of the Contract.

2.028 COVENANT OF GOOD FAITH

Each party shall act reasonably and in good faith. Unless stated otherwise in the Contract, the parties shall not unreasonably delay, condition or withhold the giving of any consent, decision or approval that is either requested or reasonably required of them in order for the other party to perform its responsibilities under the Contract.

2.029 ASSIGNMENTS

Neither party may assign the Contract, or assign or delegate any of its duties or obligations under the Contract, to any other party (whether by operation of law or otherwise), without the prior written consent of the other party; provided, however, that the State may assign the Contract to any other State agency, department, division or department without the prior consent of Contractor and Contractor may assign the Contract to an affiliate so long as the affiliate is adequately capitalized and can provide adequate assurances that the affiliate can perform the Contract. The State may withhold consent from proposed assignments, Subcontracts, or novations when the transfer of responsibility would operate to decrease the State's likelihood of receiving performance on the Contract or the State's ability to recover damages.

Contractor may not, without the prior written approval of the State, assign its right to receive payments due under the Contract. If the State permits an assignment, the Contractor is not relieved of its responsibility to perform any of its Contractual duties and the requirement under the Contract that all payments must be made to one entity continues.

If the Contractor intends to assign the Contract or any of the Contractor's rights or duties under the Contract, the Contractor must notify the State in writing at least 90 days before the assignment. The Contractor also must provide the State with adequate information about the assignee within a reasonable amount of time before the assignment for the State to determine whether to approve the assignment.

2.030 General Provisions

2.031 ADMINISTRATIVE FEE AND REPORTING

The Contractor must remit an administrative fee of 1 % on all payments remitted 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). 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.

Itemized purchasing activity reports should be mailed to DTMB-Procurement and the administrative fee payments shall be made by check payable to the State of Michigan and mailed to:

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

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

2.032 MEDIA RELEASES

News releases (including promotional literature and commercial advertisements) pertaining to the RFP and Contract or project to which it relates shall not be made without prior written State approval, and then only in accordance with the explicit written instructions from the State. No results of the activities associated with the RFP and Contract are to be released without prior written approval of the State and then only to persons designated.

2.033 CONTRACT DISTRIBUTION

DTMB-Procurement retains the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by DTMB-Procurement.

2.034 PERMITS

Contractor must obtain and pay any associated costs for all required governmental permits, licenses and approvals for the delivery, installation and performance of the Services. The State shall pay for all costs and expenses incurred in obtaining and maintaining any necessary easements or right of way.

2.035 WEBSITE INCORPORATION

The State is not bound by any content on the Contractor's website, even if the Contractor's documentation specifically referenced that content and attempts to incorporate it into any other communication, unless the State has actual knowledge of the content and has expressly agreed to be bound by it in a writing that has been manually signed by an authorized representative of the State.

2.036 FUTURE BIDDING PRECLUSION

Contractor acknowledges that, to the extent this Contract involves the creation, research, investigation or generation of a future RFP; it may be precluded from bidding on the subsequent RFP. The State reserves the right to disqualify any Bidder if the State determines that the Bidder has used its position (whether as an incumbent Contractor, or as a Contractor hired to assist with the RFP development, or as a Vendor offering free assistance) to gain a competitive advantage on the RFP

2.037 FREEDOM OF INFORMATION

All information in any proposal submitted to the State by Contractor and this Contract is subject to the provisions of the Michigan Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, et seq (the "FOIA").

2.038 DISASTER RECOVERY

Contractor and the State recognize that the State provides essential services in times of natural or man-made disasters. Therefore, except as so mandated by Federal disaster response requirements, Contractor personnel dedicated to providing Services/Deliverables under this Contract shall provide the State with priority service for repair and work around in the event of a natural or man-made disaster.

2.040 Financial Provisions

2.041 FIXED PRICES FOR SERVICES/DELIVERABLES

Each Statement of Work or Purchase Order issued under this Contract shall specify (or indicate by reference to the appropriate Contract Exhibit) the firm, fixed prices for all Services/Deliverables, and the associated payment milestones and payment amounts. The State may make progress payments to the Contractor when requested as work progresses, but not more frequently than monthly, in amounts approved by the Contract Administrator, after negotiation. Contractor shall show verification of measurable progress at the time of requesting progress payments.

2.042 ADJUSTMENTS FOR REDUCTIONS IN SCOPE OF SERVICES/DELIVERABLES

If the scope of the Services/Deliverables under any Statement of Work issued under this Contract is subsequently reduced by the State, the parties shall negotiate an equitable reduction in Contractor's charges under such Statement of Work commensurate with the reduction in scope.

2.043 SERVICES/DELIVERABLES COVERED

The State shall not be obligated to pay any amounts in addition to the charges specified in this Contract for all Services/Deliverables to be provided by Contractor and its Subcontractors, if any, under this Contract,.

2.044 INVOICING AND PAYMENT – IN GENERAL

- (a) Each Statement of Work issued under this Contract shall list (or indicate by reference to the appropriate Contract Exhibit) the prices for all Services/Deliverables, equipment and commodities to be provided, and the associated payment milestones and payment amounts.
- (b) Each Contractor invoice shall show details as to charges by Service/Deliverable component and location at a level of detail reasonably necessary to satisfy the State's accounting and charge-back requirements. Invoices for Services performed on a time and materials basis shall show, for each individual, the number of hours of Services performed during the billing period, the billable skill/labor category for such person and the applicable hourly billing rate. Prompt payment by the State is contingent on the Contractor's invoices showing the amount owed by the State minus any holdback amount to be retained by the State in accordance with **Section 1.600**.
- (c) Correct invoices shall be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 Public Act No. 279, MCL 17.51 et seq., within 45 days after receipt, provided the State determines that the invoice was properly rendered.
- (d) All invoices should reflect actual work done. Specific details of invoices and payments shall be agreed upon between the Contract Administrator and the Contractor after the proposed Contract Agreement has been signed and accepted by both the Contractor and the Director of Procurement, Department of Management & Budget. This activity shall occur only upon the specific written direction from DTMB-Procurement.

The specific payment schedule for any Contract(s) entered into, as the State and the Contractor(s) shall mutually agree upon. The schedule should show payment amount and should reflect actual work done by the payment dates, less any penalty cost charges accrued by those dates. As a general policy statements shall be forwarded to the designated representative by the 15th day of the following month.

The Government may make progress payments to the Contractor when requested as work progresses, but not more frequently than monthly, in amounts approved by the Contract Administrator, after negotiation. Contractor must show verification of measurable progress at the time of requesting progress payments.

2.045 PRO-RATION

To the extent there are Services that are to be paid for on a monthly basis, the cost of such Services shall be pro-rated for any partial month.

2.046 ANTITRUST ASSIGNMENT

The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

2.047 FINAL PAYMENT

The making of final payment by the State to Contractor does not constitute a waiver by either party of any rights or other claims as to the other party's continuing obligations under the Contract, nor shall it constitute a waiver of any claims by one party against the other arising from unsettled claims or failure by a party to comply with this Contract, including claims for Services and Deliverables not reasonably known until after acceptance to be defective or substandard. Contractor's acceptance of final payment by the State under this Contract shall constitute 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 unsettled.

2.048 ELECTRONIC PAYMENT REQUIREMENT

Electronic transfer of funds is required for payments on State Contracts. Contractors are required to register with the State electronically at <http://www.cpexpress.state.mi.us>. As stated in Public Act 431 of 1984, all Contracts that the State enters into for the purchase of goods and services shall provide that payment shall be made by electronic fund transfer (EFT).

2.050 Taxes

2.051 EMPLOYMENT TAXES

Contractor shall collect and pay all applicable federal, state, and local employment taxes, including the taxes.

2.052 SALES AND USE TAXES

Contractor shall register and remit sales and use taxes on taxable sales of tangible personal property or services delivered into the State. Contractors that lack sufficient presence in Michigan to be required to register and pay tax must do so as a volunteer. This requirement extends to: (1) all members of any controlled group as defined in § 1563(a) of the Internal Revenue Code and applicable regulations of which the company is a member, and (2) all organizations under common control as defined in § 414(c) of the Internal Revenue Code and applicable regulations of which the company is a member that make sales at retail for delivery into the State are registered with the State for the collection and remittance of sales and use taxes. In applying treasury regulations defining “two or more trades or businesses under common control” the term “organization” means sole proprietorship, a partnership (as defined in § 701(a) (2) of the Internal Revenue Code), a trust, an estate, a corporation, or a limited liability company.

2.060 Contract Management

2.061 CONTRACTOR PERSONNEL QUALIFICATIONS

All persons assigned by Contractor to the performance of Services under this Contract must be employees of Contractor or its majority-owned (directly or indirectly, at any tier) subsidiaries (or a State-approved Subcontractor) and must be fully qualified to perform the work assigned to them. Contractor must include a similar provision in any Subcontract entered into with a Subcontractor. For the purposes of this Contract, independent Contractors engaged by Contractor solely in a staff augmentation role must be treated by the State as if they were employees of Contractor for this Contract only; however, the State understands that the relationship between Contractor and Subcontractor is an independent Contractor relationship.

2.062 CONTRACTOR KEY PERSONNEL

- (a) The Contractor must provide the Contract Compliance Inspector with the names of the Key Personnel.
- (b) Key Personnel must be dedicated as defined in the Statement of Work to the Project for its duration in the applicable Statement of Work with respect to other individuals designated as Key Personnel for that Statement of Work.
- (c) The State shall have 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 shall notify the State of the proposed assignment, shall introduce the individual to the appropriate State representatives, and shall 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 shall provide a written explanation including reasonable detail outlining the reasons for the rejection.
- (d) Contractor must not remove any Key Personnel from their assigned roles on the 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”). Unauthorized Removals 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. Unauthorized Removals does not include replacing Key Personnel because of promotions or other job movements allowed by Contractor personnel policies or Collective Bargaining Agreement(s) as long as the State receives prior written notice before shadowing occurs and Contractor provides 30 days of shadowing unless parties agree to a different time period. The Contractor with the State must review any Key Personnel replacements, and appropriate transition planning will be established. Any Unauthorized Removal may be considered by the State to be a material breach of the Contract, in respect of which the State may elect to exercise its termination and cancellation rights.
- (e) The Contractor must notify the Contract Compliance Inspector and the Contract Administrator at least 10 business days before redeploying non-Key Personnel, who are dedicated to primarily to the Project, to other projects. If the State does not object to the redeployment by its scheduled date, the Contractor may then redeploy the non-Key Personnel.

2.063 RE-ASSIGNMENT OF PERSONNEL AT THE STATE’S REQUEST

The State reserves the right to require the removal from the Project of 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. Additionally, the State's request must be based on legitimate, good faith reasons. Replacement personnel for the removed person must be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed personnel, the State agrees to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any incident with removed personnel results in delay not reasonably anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Service shall not be counted for a time as agreed to by the parties.

2.064 CONTRACTOR PERSONNEL LOCATION

All staff assigned by Contractor to work on the Contract shall perform their duties either primarily at Contractor's offices and facilities or at State facilities. Without limiting the generality of the foregoing, Key Personnel shall, at a minimum, spend at least the amount of time on-site at State facilities as indicated in the applicable Statement of Work. Subject to availability, selected Contractor personnel may be assigned office space to be shared with State personnel.

2.065 CONTRACTOR IDENTIFICATION

Contractor employees must be clearly identifiable while on State property by wearing a State-issued badge, as required. Contractor employees are required to clearly identify themselves and the company they work for whenever making contact with State personnel by telephone or other means.

2.066 COOPERATION WITH THIRD PARTIES

Contractor agrees to cause its personnel and the personnel of any Subcontractors to cooperate with the State and its agents and other Contractors including the State's Quality Assurance personnel. As reasonably requested by the State in writing, the Contractor shall provide to the State's agents and other Contractors reasonable access to Contractor's Project personnel, systems and facilities to the extent the access relates to activities specifically associated with this Contract and shall not interfere or jeopardize the safety or operation of the systems or facilities. The State acknowledges that Contractor's time schedule for the Contract is very specific and agrees not to unnecessarily or unreasonably interfere with, delay or otherwise impeded Contractor's performance under this Contract with the requests for access.

2.067 CONTRACT MANAGEMENT RESPONSIBILITIES

Contractor shall be responsible for all acts and omissions of its employees, as well as the acts and omissions of any other personnel furnished by Contractor to perform the Services. Contractor shall have overall responsibility for managing and successfully performing and completing the Services/Deliverables, subject to the overall direction and supervision of the State and with the participation and support of the State as specified in this Contract. Contractor's duties shall include monitoring and reporting the State's performance of its participation and support responsibilities (as well as Contractor's own responsibilities) and providing timely notice to the State in Contractor's reasonable opinion if the State's failure to perform its responsibilities in accordance with the Project Plan is likely to delay the timely achievement of any Contract tasks.

The Contractor shall provide the Services/Deliverables directly or through its affiliates, subsidiaries, Subcontractors or resellers. Regardless of the entity providing the Service/Deliverable, the Contractor shall act as a single point of contact coordinating these entities to meet the State's need for Services/Deliverables. Nothing in this Contract, however, shall be construed to authorize or require any party to violate any applicable law or regulation in its performance of this Contract.

2.068 CONTRACTOR RETURN OF STATE EQUIPMENT/RESOURCES

The Contractor shall return to the State any State-furnished equipment, facilities and other resources when no longer required for the Contract in the same condition as when provided by the State, reasonable wear and tear excepted.

2.070 Subcontracting by Contractor

2.071 CONTRACTOR FULL RESPONSIBILITY

Contractor shall have full responsibility for the successful performance and completion of all of the Services and Deliverables. The State shall consider Contractor to be the sole point of contact with regard to all Contractual matters under this Contract, including payment of any and all charges for Services and Deliverables.

2.072 STATE CONSENT TO DELEGATION

Contractor shall not delegate any duties under this Contract to a Subcontractor unless the Department of Technology, Management and Budget, Procurement has given written consent to such delegation. The State shall have the right of prior written approval of all Subcontractors and to require Contractor to replace any Subcontractors found, in the reasonable judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good faith reasons. Replacement Subcontractor(s) for the removed Subcontractor shall be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed Subcontractor, the State shall agree to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with a removed Subcontractor results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLA for the affected Work shall not be counted for a time agreed upon by the parties.

2.073 SUBCONTRACTOR BOUND TO CONTRACT

In any Subcontracts entered into by Contractor for the performance of the Services, Contractor shall require the Subcontractor, to the extent of the Services to be performed by the Subcontractor, to be bound to Contractor by the terms of this Contract and to assume toward Contractor all of the obligations and responsibilities that Contractor, by this Contract, assumes toward the State. The State reserves the right to receive copies of and review all Subcontracts, although Contractor may delete or mask any proprietary information, including pricing, contained in such Contracts before providing them to the State. The management of any Subcontractor shall be the responsibility of Contractor, and Contractor shall remain responsible for the performance of its Subcontractors to the same extent as if Contractor had not Subcontracted such performance. Contractor shall make all payments to Subcontractors or suppliers of Contractor. Except as otherwise agreed in writing by the State and Contractor, the State shall not be obligated to direct payments for the Services other than to Contractor. The State's written approval of any Subcontractor engaged by Contractor to perform any obligation under this Contract shall not relieve Contractor of any obligations or performance required under this Contract. A list of the Subcontractors, if any, approved by the State as of the execution of this Contract, together with a copy of the applicable Subcontract is attached.

2.074 FLOW DOWN

Except where specifically approved in writing by the State on a case-by-case basis, Contractor shall flow down the obligations in **Sections 2.031, 2.060, 2.100, 2.110, 2.120, 2.130, and 2.200** in all of its agreements with any Subcontractors.

2.075 COMPETITIVE SELECTION

The Contractor shall select Subcontractors (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the Contract.

2.080 State Responsibilities

2.081 EQUIPMENT

The State shall provide only the equipment and resources identified in the Statement of Work and other Contract Exhibits.

2.082 FACILITIES

The State must designate space as long as it is available and as provided in the Statement of Work, to house the Contractor's personnel whom the parties agree will perform the Services/Deliverables at State facilities (collectively, the "State Facilities"). The Contractor shall have reasonable access to, and unless agreed otherwise by the parties in writing must observe and comply with all rules and regulations relating to each of the State Facilities (including hours of operation) used by the Contractor in the course of providing the Services. Contractor agrees that it shall not, without the prior written consent of the State, use any State Facilities or

access any State information systems provided for the Contractor's use, or to which the Contractor otherwise gains access in the course of performing the Services, for any purpose other than providing the Services to the State.

2.090 Security

2.091 BACKGROUND CHECKS

On a case-by-case basis, the State may investigate the Contractor's personnel before they may have access to State facilities and systems. The scope of the background check is at the discretion of the State and the results shall be used to determine Contractor personnel eligibility for working within State facilities and systems. The investigations shall include Michigan State Police Background checks (ICHAT) and may include the National Crime Information Center (NCIC) Finger Prints. Proposed Contractor personnel may be required to complete and submit an RI-8 Fingerprint Card for the NCIC Finger Print Check. Any request for background checks shall be initiated by the State and shall be reasonably related to the type of work requested.

2.092 SECURITY BREACH NOTIFICATION

If the Contractor breaches this Section, the Contractor must (i) promptly cure any deficiencies and (ii) comply with any applicable federal and state laws and regulations pertaining to unauthorized disclosures. Contractor and the State shall cooperate to mitigate, to the extent practicable, the effects of any breach, intrusion, or unauthorized use or disclosure. Contractor must report to the State in writing any use or disclosure of Confidential Information, whether suspected or actual, other than as provided for by the Contract within 72 hours of becoming aware of the use or disclosure or the shorter time period as is reasonable under the circumstances.

2.093 PCI DATA SECURITY STANDARD

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

(b) The Contractor must notify the CCI (within 72 hours of discovery) of any breaches in security where cardholder data has been compromised. In that event, the Contractor must provide full cooperation to the Visa, MasterCard, Discover and state Acquirer representative(s), and/or a PCI approved third party to conduct a thorough security review. The Contractor must make the forensic report available within two weeks of completion. The review must validate compliance with the current PCI Data Security Standards for protecting cardholder data.

(c) The Contractor must properly dispose of cardholder data, in compliance with DTMB policy, when it is no longer needed. The Contractor must continue to treat cardholder data as confidential upon Contract termination.

(d) The Contractor must provide the CCI with an annual Attestation of Compliance (AOC) or a Report on Compliance (ROC) showing the Contractor is in compliance with the PCI Data Security Standards. The Contractor must notify the CCI of all failures to comply with the PCI Data Security Standard.

2.100 Confidentiality

2.101 CONFIDENTIALITY

Contractor and the State each acknowledge that the other possesses and shall continue to possess confidential information that has been developed or received by it. As used in this Section, "Confidential Information" of Contractor must mean all non-public proprietary information of Contractor (other than Confidential Information of the State as defined below), which is marked confidential, restricted, proprietary, or with a similar designation. "Confidential Information" of the State must mean any information which is retained in confidence by the State (or otherwise required to be held in confidence by the State under applicable federal, state and local laws and regulations) or which, in the case of tangible materials provided to Contractor by the State under its performance under this Contract, is marked as confidential, proprietary or with a similar designation by the

State. "Confidential Information" excludes any information (including this Contract) that is publicly available under the Michigan FOIA.

2.102 PROTECTION AND DESTRUCTION OF CONFIDENTIAL INFORMATION

The State and Contractor shall each use at least the same degree of care to prevent disclosing to third parties the Confidential Information of the other as it employs to avoid unauthorized disclosure, publication or dissemination of its own confidential information of like character, but in no event less than reasonable care. Neither Contractor nor the State shall (i) make any use of the Confidential Information of the other except as contemplated by this Contract, (ii) acquire any right in or assert any lien against the Confidential Information of the other, or (iii) if requested to do so, refuse for any reason to promptly return the other party's Confidential Information to the other party. Each party shall limit disclosure of the other party's Confidential Information to employees and Subcontractors who must have access to fulfill the purposes of this Contract. Disclosure to, and use by, 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 scope of responsibility, 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 and of any Subcontractor having access or continued access to the State's Confidential Information may be required to execute an acknowledgment that the employee has been advised of Contractor's and the Subcontractor's obligations under this Section and of the employee's obligation to Contractor or Subcontractor, as the case may be, to protect the Confidential Information from unauthorized use or disclosure.

Promptly upon termination or cancellation of the Contract for any reason, Contractor must certify to the State that Contractor has destroyed all State Confidential Information.

2.103 EXCLUSIONS

Notwithstanding the foregoing, the provisions in this Section shall not apply to any particular information which the State or Contractor can demonstrate (i) was, at the time of disclosure to it, in the public domain; (ii) after disclosure to it, is published or otherwise becomes part of the public domain through no fault of the receiving party; (iii) was in the possession of the receiving party at the time of disclosure to it without an obligation of confidentiality; (iv) was received after disclosure to it from a third party who had a lawful right to disclose the information to it without any obligation to restrict its further disclosure; or (v) was independently developed by the receiving party without reference to Confidential Information of the furnishing party. Further, the provisions of this Section shall not apply to any particular Confidential Information to the extent the receiving party is required by law to disclose the Confidential Information, provided that the receiving party (i) promptly provides the furnishing party with notice of the legal request, and (ii) assists the furnishing party in resisting or limiting the scope of the disclosure as reasonably requested by the furnishing party.

2.104 NO IMPLIED RIGHTS

Nothing contained in this Section must be construed as obligating a party to disclose any particular Confidential Information to the other party, or as granting to or conferring on a party, expressly or impliedly, any right or license to the Confidential Information of the other party.

2.105 RESPECTIVE OBLIGATIONS

The parties' respective obligations under this Section must survive the termination or expiration of this Contract for any reason.

2.110 Records and Inspections

2.111 INSPECTION OF WORK PERFORMED

The State's authorized representatives, at reasonable times and with 10 days prior notice, have the right to enter the Contractor's premises or any other places where work is being performed in relation to this Contract. The representatives may inspect, monitor, or evaluate the work being performed, to the extent the access will not reasonably interfere with or jeopardize the safety or operation of Contractor's systems or facilities. The Contractor must provide reasonable assistance for the State's representatives during inspections.

2.112 RETENTION OF RECORDS

(a) The Contractor must retain all financial and accounting records related to this Contract for a period of 7 years after the Contractor performs any work under this Contract (Audit Period).

(b) If an audit, litigation, or other action involving the Contractor's records is initiated before the end of the Audit Period, the Contractor must retain the records until all issues arising out of the audit, litigation, or other action are resolved or until the end of the Audit Period, whichever is later.

2.113 EXAMINATION OF RECORDS

(a) The State, upon 10 days notice to the Contractor, may examine and copy any of the Contractor's records that relate to this Contract any time during the Audit Period. The State does not have the right to review any information deemed confidential by the Contractor if access would require the information to become publicly available. This requirement also applies to the records of any parent, affiliate, or subsidiary organization of the Contractor, or any Subcontractor that performs services in connection with this Contract

(b) In addition to the rights conferred upon the State in paragraph (a) of this section and in accordance with MCL 18.1470, DTMB or its designee may audit the Contractor to verify compliance with the Contract. The financial and accounting records associated with the Contract shall be made available to DTMB or its designee and the auditor general, upon request, during the term of the Contract and any extension of the Contract and for 3 years after the later of the expiration date or final payment under the Contract.

2.114 AUDIT RESOLUTION

If necessary, the Contractor and the State will meet to review any audit report promptly after its issuance. The Contractor must respond to each report in writing within 30 days after receiving the report, unless the report specifies a shorter response time. The Contractor and the State must develop, agree upon, and monitor an action plan to promptly address and resolve any deficiencies, concerns, or recommendations in the report.

2.115 ERRORS

(a) If an audit reveals any financial errors in the records provided to the State, the amount in error must be reflected as a credit or debit on the next invoice and subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried forward for more than four invoices or beyond the termination of the Contract. If a balance remains after four invoices, the remaining amount will be due as a payment or refund within 45 days of the last invoice on which the balance appeared or upon termination of the Contract, whichever is earlier.

(b) In addition to other available remedies, if the difference between the State's actual payment and the correct invoice amount, as determined by an audit, is greater than 10%, the Contractor must pay all reasonable audit costs.

2.120 Warranties

2.121 WARRANTIES AND REPRESENTATIONS

The Contractor represents and warrants:

- (a) It is capable in all respects of fulfilling and must fulfill all of its obligations under this Contract. The performance of all obligations under this Contract must be provided in a timely, professional, and workman-like manner and must meet the performance and operational standards required under this Contract.
- (b) The Contract Appendices, Attachments and Exhibits identify the equipment and software and services necessary for the Deliverable(s) to perform and Services to operate in compliance with the Contract's requirements and other standards of performance.
- (c) It is the lawful owner or licensee of any Deliverable licensed or sold to the State by Contractor or developed by Contractor under this Contract, and Contractor has all of the rights necessary to convey to the State the ownership rights or licensed use, as applicable, of any and all Deliverables. None of the Deliverables provided by Contractor to the State under neither this Contract, nor their use by the State shall infringe the patent, copyright, trade secret, or other proprietary rights of any third party.
- (d) If, under this Contract, Contractor procures any equipment, software or other Deliverable for the State (including equipment, software and other Deliverables manufactured, re-marketed or otherwise sold by

- Contractor under Contractor's name), then in addition to Contractor's other responsibilities with respect to the items in this Contract, Contractor must assign or otherwise transfer to the State or its designees, or afford the State the benefits of, any manufacturer's warranty for the Deliverable.
- (e) The Contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter into this Contract, on behalf of Contractor.
 - (f) It is qualified and registered to transact business in all locations where required.
 - (g) Neither the Contractor nor any Affiliates, nor any employee of either, has, must have, or must acquire, any Contractual, financial, business, or other interest, direct or indirect, that would conflict in any manner or degree with Contractor's performance of its duties and responsibilities to the State under this Contract or otherwise create an appearance of impropriety with respect to the award or performance of this Agreement. Contractor must notify the State about the nature of the conflict or appearance of impropriety within two days of learning about it.
 - (h) Neither Contractor nor any Affiliates, nor any employee of either has accepted or must accept anything of value based on an understanding that the actions of the Contractor or Affiliates or employee on behalf of the State would be influenced. Contractor must not attempt to influence any State employee by the direct or indirect offer of anything of value.
 - (i) Neither Contractor nor any Affiliates, nor any employee of either has paid or agreed to pay any person, other than bona fide employees and consultants working solely for Contractor or the Affiliate, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.
 - (j) The prices proposed by Contractor were arrived at independently, without consultation, communication, or agreement with any other Bidder for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Contractor to any other Bidder; and no attempt was made by Contractor to induce any other person to submit or not submit a proposal for the purpose of restricting competition.
 - (k) All financial statements, reports, and other information furnished by Contractor to the State as part of its response to the RFP or otherwise in connection with the award of this Contract fairly and accurately represent the business, properties, financial condition, and results of operations of Contractor as of the respective dates, or for the respective periods, covered by the financial statements, reports, other information. Since the respective dates or periods covered by the financial statements, reports, or other information, there have been no material adverse changes in the business, properties, financial condition, or results of operations of Contractor.
 - (l) All written information furnished to the State by or for the Contractor in connection with this Contract, including its bid, is true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make the information not misleading.
 - (m) It is not in material default or breach of any other Contract or agreement that it may have with the State or any of its departments, commissions, boards, or agencies. Contractor further represents and warrants that it has not been a party to any Contract with the State or any of its departments that was terminated by the State or the department within the previous five years for the reason that Contractor failed to perform or otherwise breached an obligation of the Contract.
 - (n) If any of the certifications, representations, or disclosures made in the Contractor's original bid response change after Contract award, the Contractor is required to report those changes immediately to the Department of Technology, Management and Budget, Procurement.

2.122 WARRANTY OF MERCHANTABILITY

Goods provided by Contractor under this agreement shall be merchantable. All goods provided under this Contract shall be of good quality within the description given by the State, shall be fit for their ordinary purpose, shall be adequately contained and packaged within the description given by the State, shall conform to the agreed upon specifications, and shall conform to the affirmations of fact made by the Contractor or on the container or label.

2.123 WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE

When the Contractor has reason to know or knows any particular purpose for which the goods are required, and the State is relying on the Contractor's skill or judgment to select or furnish suitable goods, there is a warranty that the goods are fit for such purpose.

2.124 WARRANTY OF TITLE

Contractor shall, in providing goods to the State, convey good title in those goods, whose transfer is right and lawful. All goods provided by Contractor shall be delivered free from any security interest, lien, or encumbrance of which the State, at the time of Contracting, has no knowledge. Goods provided by Contractor, under this Contract, shall be delivered free of any rightful claim of any third person by of infringement or the like.

2.125 EQUIPMENT WARRANTY

To the extent Contractor is responsible under this Contract for maintaining equipment/system(s), Contractor represents and warrants that it shall maintain the equipment/system(s) in good operating condition and shall undertake all repairs and preventive maintenance according to the applicable manufacturer's recommendations for the period specified in this Contract.

The Contractor represents and warrants that the equipment/system(s) are in good operating condition and operates and performs to the requirements and other standards of performance contained in this Contract, when installed, at the time of Final Acceptance by the State, and for a period of (1) one year commencing upon the first day following Final Acceptance.

Within 10 business days of notification from the State, the Contractor must adjust, repair or replace all equipment that is defective or not performing in compliance with the Contract. The Contractor must assume all costs for replacing parts or units and their installation including transportation and delivery fees, if any.

The Contractor must provide a toll-free telephone number to allow the State to report equipment failures and problems to be remedied by the Contractor.

The Contractor agrees that all warranty service it provides under this Contract must be performed by Original Equipment Manufacturer (OEM) trained, certified and authorized technicians.

The Contractor is the sole point of contact for warranty service. The Contractor warrants that it shall pass through to the State any warranties obtained or available from the original equipment manufacturer, including any replacement, upgraded, or additional equipment warranties.

2.126 EQUIPMENT TO BE NEW

If applicable, all equipment provided under this Contract by Contractor shall be new where Contractor has knowledge regarding whether the equipment is new or assembled from new or serviceable used parts that are like new in performance or has the option of selecting one or the other. Equipment that is assembled from new or serviceable used parts that are like new in performance is acceptable where Contractor does not have knowledge or the ability to select one or other, unless specifically agreed otherwise in writing by the State.

2.127 PROHIBITED PRODUCTS

The State will not accept salvage, distressed, outdated or discontinued merchandise. Shipping of such merchandise to any State agency, as a result of an order placed against the Contract, shall be considered default by the Contractor of the terms and conditions of the Contract and may result in cancellation of the Contract by the State. The brand and product number offered for all items shall remain consistent for the term of the Contract, unless DTMB-Procurement has approved a change order pursuant to **Section 2.024**.

2.128 CONSEQUENCES FOR BREACH

In addition to any remedies available in law, if the Contractor breaches any of the warranties contained in this section, the breach may be considered as a default in the performance of a material obligation of this Contract.

2.130 Insurance

2.13.1 LIABILITY INSURANCE

For the purpose of this Section, "State" includes its departments, divisions, agencies, offices, commissions, officers, employees, and agents.

(a) The Contractor must provide proof that it has obtained the minimum levels of insurance coverage indicated or required by law, whichever is greater. The insurance must protect the State from claims that may arise out of, or result from, or are alleged to arise out of, or result from, the Contractor's or a Subcontractor's performance, including any person directly or indirectly employed by the Contractor or a Subcontractor, or any person for whose acts the Contractor or a Subcontractor may be liable.

(b) The Contractor waives all rights against the State for the recovery of damages that are covered by the insurance policies the Contractor is required to maintain under this Section. The Contractor's failure to obtain and maintain the required insurance will not limit this waiver.

(c) All insurance coverage provided relative to this Contract is primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State.

(d) The State, in its sole discretion, may approve the use of a fully-funded self-insurance program in place of any specified insurance identified in this Section.

(e) Unless the State approves otherwise, any insurer must have an A.M. Best rating of "A" or better and a financial size of VII or better, or if those ratings are not available, a comparable rating from an insurance rating agency approved by the State. All policies of insurance must be issued by companies that have been approved to do business in the State.

(f) Where specific coverage limits are listed in this Section, they represent the minimum acceptable limits. If the Contractor's policy contains higher limits, the State is entitled to coverage to the extent of the higher limits.

(g) The Contractor must maintain all required insurance coverage throughout the term of this Contract and any extensions. However, in the case of claims-made Commercial General Liability policies, the Contractor must secure tail coverage for at least three (3) years following the termination of this Contract.

(h) The Contractor must provide, within five (5) business days, written notice to the Director of DTMB-Procurement if any policy required under this section is cancelled. The notice must include the applicable Contract or Purchase Order number.

(i) The minimum limits of coverage specified are not intended, and may not be construed, to limit any liability or indemnity of the Contractor to any indemnified party or other persons.

(j) The Contractor is responsible for the payment of all deductibles.

(k) If the Contractor fails to pay any premium for a required insurance policy, or if any insurer cancels or significantly reduces any required insurance without the State's approval, the State may, after giving the Contractor at least 30 days' notice, pay the premium or procure similar insurance coverage from another company or companies. The State may deduct any part of the cost from any payment due the Contractor, or require the Contractor to pay that cost upon demand.

(l) In the event the State approves the representation of the State by the insurer's attorney, the attorney may be required to be designated as a Special Assistant Attorney General by the Michigan Attorney General.

(m) The Contractor is required to pay for and provide the type and amount of insurance checked below:

(i) Commercial General Liability

Minimal Limits:

\$2,000,000 General Aggregate Limit other than Products/Completed Operations;
\$2,000,000 Products/Completed Operations Aggregate Limit;
\$1,000,000 Personal & Advertising Injury Limit; and
\$1,000,000 Each Occurrence Limit.

Deductable maximum:

\$50,000 Each Occurrence

Additional Requirements:

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents as additional insureds on the Commercial General Liability certificate. The Contractor also agrees to provide evidence that the insurance policy contains a waiver of subrogation by the insurance company.

The Products/Completed Operations sublimit requirement may be satisfied by evidence of the manufacturer's Commercial General Liability Insurance. The manufacturer must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents as additional insureds on the Commercial General Liability certificate and must provide evidence that the policy contains a waiver of subrogation by the insurance company.

(ii) Umbrella or Excess Liability

Minimal Limits:

\$10,000,000.00 General Aggregate

Additional Requirements:

Umbrella or Excess Liability limits must at least apply to the insurance required in (i), General Commercial Liability. The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents as additional insureds on the

certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

(iii) Motor Vehicle

Minimal Limits:

If a motor vehicle is used in relation to the Contractor's performance, the Contractor must have vehicle liability insurance on the motor vehicle for bodily injury and property damage as required by law.

(iv) Hired and Non-Owned Motor Vehicle Coverage

Minimal Limits:

\$1,000,000 Per Incident

Additional Requirements:

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents as additional insureds on the vehicle liability certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

(v) Workers' Compensation

Minimal Limits:

The Contractor must provide Workers' Compensation coverage according to applicable laws governing work activities in the state of the Contractor's domicile. If the applicable coverage is provided by a self-insurer, the Contractor must provide proof of an approved self-insured authority by the jurisdiction of domicile.

For employees working outside of the state of the Contractor's domicile, the Contractor must provide certificates of insurance proving mandated coverage levels for the jurisdictions where the employees' activities occur.

Additional Requirements:

The Contractor must provide the applicable certificates of insurance and a list of states where the coverage is applicable. Contractor must provide proof that the Workers' Compensation insurance policies contain a waiver of subrogation by the insurance company, except where such a provision is prohibited or limited by the laws of the jurisdiction in which the work is to be performed.

(vi) Employers Liability

Minimal Limits:

\$100,000 Each Incident;
\$100,000 Each Employee by Disease
\$500,000 Aggregate Disease

Additional Requirements:

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents as additional insureds on the certificate.

(vii) Employee Fidelity (Crime)

Minimal Limits:

\$1,000,000 Employee Theft Per Loss

Deductible Maximum:

\$50,000 Per Loss

Additional Requirements:

Insurance must cover Forgery and Alteration, Theft of Money and Securities, Robbery and Safe Burglary, Computer Fraud, Funds Transfer Fraud, Money Order and Counterfeit Currency.

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents as Loss Payees on the certificate.

(viii) Professional Liability (Errors and Omissions)

Minimal Limits:

\$3,000,000 Each Occurrence
\$3,000,000 Annual Aggregate

Deductible Maximum:

\$50,000 Per Loss

(ix) Cyber Liability

Minimal Limits:

\$1,000,000 Each Occurrence
\$1,000,000 Annual Aggregate

Additional Requirements:

Insurance should cover (a) unauthorized acquisition, access, use, physical taking, identity theft, mysterious disappearance, release, distribution or disclosures of personal and corporate information; (b) Transmitting or receiving malicious code via the insured's computer system; (c) Denial of service attacks or the inability to access websites or computer systems.

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents as additional insureds on the certificate.

(x) Property Insurance

Property Insurance covering any loss or damage to the State-owned office space used by Contractor for any reason under this Contract, and the State-owned equipment, software and other contents of the office space, including without limitation, those contents used by Contractor to provide the Services to the State, up to its replacement value, where the office space and its contents are under the care, custody and control of Contractor. The State must be endorsed on the policy as a loss payee as its interests appear.

2.13.2 SUBCONTRACTOR INSURANCE COVERAGE

Except where the State has approved a Subcontract with other insurance provisions, the Contractor must require any Subcontractor to purchase and maintain the insurance coverage required in Section 2.13.1, Liability Insurance. Alternatively, the Contractor may include a Subcontractor under the Contractor's insurance on the coverage required in that Section. The failure of a Subcontractor to comply with insurance requirements does not limit the Contractor's liability or responsibility.

2.13.3 CERTIFICATES OF INSURANCE

Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the Contractor must provide evidence that the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents are listed as additional insureds as required. The Contractor must provide DTMB-Procurement with all applicable certificates of insurance verifying insurance coverage or providing, if approved, satisfactory evidence of self-insurance as required in Section 2.13.1, Liability Insurance. Each certificate must be on the standard "Accord" form or equivalent and **MUST IDENTIFY THE APPLICABLE CONTRACT OR PURCHASE ORDER NUMBER.**

2.140 Indemnification

2.141 GENERAL INDEMNIFICATION

To the extent permitted by law, the Contractor must indemnify, defend and hold harmless the State from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm or corporation that may be injured or damaged by the Contractor in the performance of this Contract and that are attributable to the negligence or tortious acts of the Contractor or any of its Subcontractors, or by anyone else for whose acts any of them may be liable.

2.142 CODE INDEMNIFICATION

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from any claim, loss, or expense arising from Contractor's breach of the No Surreptitious Code Warranty.

2.143 EMPLOYEE INDEMNIFICATION

In any claims against the State of Michigan, its departments, divisions, agencies, sections, commissions, officers, employees and agents, by any employee of the Contractor or any of its Subcontractors, the indemnification obligation under the Contract must not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any of its Subcontractors under worker's disability compensation acts, disability benefit acts or other employee benefit acts. This indemnification clause is intended to be comprehensive. Any overlap in provisions, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other provisions.

2.144 PATENT/COPYRIGHT INFRINGEMENT INDEMNIFICATION

To the extent permitted by law, the Contractor must indemnify, defend and hold harmless the State from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that the action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its Subcontractors, or the operation of the equipment, software, commodity or service, or the use or reproduction of any documentation provided with the equipment, software, commodity or service infringes any United States patent, copyright, trademark or trade secret of any person or entity, which is enforceable under the laws of the United States.

In addition, should the equipment, software, commodity, or service, or its operation, become or in the State's or Contractor's opinion be likely to become the subject of a claim of infringement, the Contractor must at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if the option is not reasonably available to the Contractor, (ii) replace or modify to the State's satisfaction the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if the option is not reasonably available to Contractor, (iii) accept its return by the State with appropriate credits to the State against the 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.

Notwithstanding the foregoing, the Contractor has no obligation to indemnify or defend the State for, or to pay any costs, damages or attorneys' fees related to, any claim based upon (i) equipment developed based on written specifications of the State; (ii) use of the equipment in a configuration other than implemented or approved in writing by the Contractor, including, but not limited to, any modification of the equipment by the State; or (iii) the combination, operation, or use of the equipment with equipment or software not supplied by the Contractor under this Contract.

2.145 CONTINUATION OF INDEMNIFICATION OBLIGATIONS

The Contractor's duty to indemnify under this Section continues in full force and effect, notwithstanding the expiration or early cancellation of the Contract, with respect to any claims based on facts or conditions that occurred before expiration or cancellation.

2.146 INDEMNIFICATION PROCEDURES

The procedures set forth below must apply to all indemnity obligations under this Contract.

- (a) After the State receives notice of the action or proceeding involving a claim for which it shall seek indemnification, the State must promptly notify Contractor of the claim in writing and take or assist Contractor in taking, as the case may be, any reasonable action to avoid the imposition of a default judgment against Contractor. No failure to notify the Contractor relieves the Contractor of its indemnification obligations except to the extent that the Contractor can prove damages attributable to the failure. Within 10 days following receipt of written notice from the State relating to any claim, the Contractor must notify the State in writing whether Contractor agrees to assume control of the defense and settlement of that claim (a "Notice of Election"). After notifying Contractor of a claim and before the State receiving Contractor's Notice of Election, the State is entitled to defend against the claim, at the Contractor's expense, and the Contractor will be responsible for any reasonable costs incurred by the State in defending against the claim during that period.

- (b) If Contractor delivers a Notice of Election relating to any claim: (i) the State is entitled to participate in the defense of the claim and to employ counsel at its own expense to assist in the handling of the claim and to monitor and advise the State about the status and progress of the defense; (ii) the Contractor must, at the request of the State, demonstrate to the reasonable satisfaction of the State, the Contractor's financial ability to carry out its defense and indemnity obligations under this Contract; (iii) the Contractor must periodically advise the State about the status and progress of the defense and must obtain the prior written approval of the State before entering into any settlement of the claim or ceasing to defend against the claim and (iv) to the extent that any principles of Michigan governmental or public law may be involved or challenged, the State has the right, at its own expense, to control the defense of that portion of the claim involving the principles of Michigan governmental or public law. But the State may retain control of the defense and settlement of a claim by notifying the Contractor in writing within 10 days after the State's receipt of Contractor's information requested by the State under clause (ii) of this paragraph if the State determines that the Contractor has failed to demonstrate to the reasonable satisfaction of the State the Contractor's financial ability to carry out its defense and indemnity obligations under this Section. 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. In the event the insurer's attorney represents the State under this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.
- (c) If Contractor does not deliver a Notice of Election relating to any claim of which it is notified by the State as provided above, the State may defend the claim in the manner as it may deem appropriate, at the cost and expense of Contractor. If it is determined that the claim was one against which Contractor was required to indemnify the State, upon request of the State, Contractor must promptly reimburse the State for all the reasonable costs and expenses.

2.150 Termination/Cancellation

2.151 NOTICE AND RIGHT TO CURE

If the Contractor breaches the Contract, and the State in its sole discretion determines that the breach is curable, then the State shall provide the Contractor with written notice of the breach and a time period (not less than 30 days) to cure the Breach. The notice of breach and opportunity to cure is inapplicable for successive or repeated breaches or if the State determines in its sole discretion that the breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage, or destruction of any real or tangible personal property.

2.152 TERMINATION FOR CAUSE

- (a) The State may terminate this Contract, for cause, by notifying the Contractor in writing, if the Contractor (i) breaches any of its material duties or obligations under this Contract (including a Chronic Failure to meet any particular SLA), or (ii) fails to cure a breach within the time period specified in the written notice of breach provided by the State
- (b) If this Contract is terminated for cause, the Contractor must pay all costs incurred by the State in terminating this Contract, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur to procure the Services/Deliverables required by this Contract from other sources. Re-procurement costs are not consequential, indirect or incidental damages, and cannot be excluded by any other terms otherwise included in this Contract, provided the costs are not in excess of 50% more than the prices for the Service/Deliverables provided under this Contract.
- (c) If the State chooses to partially terminate this Contract for cause, charges payable under this Contract shall be equitably adjusted to reflect those Services/Deliverables that are terminated and the State must pay for all Services/Deliverables for which Final Acceptance has been granted provided up to the termination date. Services and related provisions of this Contract that are terminated for cause must cease on the effective date of the termination.
- (d) If the State terminates this Contract for cause under this Section, and it is determined, for any reason, that Contractor was not in breach of Contract under the provisions of this section, that termination for cause must be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties must be limited to that otherwise provided in this Contract for a termination for convenience.

2.153 TERMINATION FOR CONVENIENCE

The State may terminate this Contract for its convenience, in whole or part, if the State determines that a termination is in the State's best interest. Reasons for the termination must be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the Services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Services no longer practical or feasible, (c) unacceptable prices for Additional Services or New Work requested by the State, or (d) falsification or misrepresentation, by inclusion or non-inclusion, of information material to a response to any RFP issued by the State. The State may terminate this Contract for its convenience, in whole or in part, by giving Contractor written notice at least 30 days before the date of termination. If the State chooses to terminate this Contract in part, the charges payable under this Contract must be equitably adjusted to reflect those Services/Deliverables that are terminated. Services and related provisions of this Contract that are terminated for convenience must cease on the effective date of the termination.

2.154 TERMINATION FOR NON-APPROPRIATION

- (a) Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this Contract. If funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available, the State must terminate this Contract and all affected Statements of Work, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Contractor. The State must give Contractor at least 30 days advance written notice of termination for non-appropriation or unavailability (or the time as is available if the State receives notice of the final decision less than 30 days before the funding cutoff).
- (b) If funding for the Contract is reduced by law, or funds to pay Contractor for the agreed-to level of the Services or production of Deliverables to be provided by Contractor are not appropriated or otherwise unavailable, the State may, upon 30 days written notice to Contractor, reduce the level of the Services or change the production of Deliverables in the manner and for the periods of time as the State may elect. The charges payable under this Contract shall be equitably adjusted to reflect any equipment, services or commodities not provided by reason of the reduction.
- (c) If the State terminates this Contract, eliminates certain Deliverables, or reduces the level of Services to be provided by Contractor under this Section, the State must pay Contractor for all Work-in-Process performed through the effective date of the termination or reduction in level, as the case may be and as determined by the State, to the extent funds are available. This Section shall not preclude Contractor from reducing or stopping Services/Deliverables or raising against the State in a court of competent jurisdiction, any claim for a shortfall in payment for Services performed or Deliverables finally accepted before the effective date of termination.

2.155 TERMINATION FOR CRIMINAL CONVICTION

The State may terminate this Contract immediately and without further liability or penalty in the event Contractor, an officer of Contractor, or an owner of a 25% or greater share of Contractor is convicted of a criminal offense related to a State, public or private Contract or Subcontract.

2.156 TERMINATION FOR APPROVALS RESCINDED

The State may terminate this Contract if any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services under Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. In that case, the State shall pay the Contractor for only the work completed to that point under the Contract. Termination may be in whole or in part and may be immediate as of the date of the written notice to Contractor or may be effective as of the date stated in the written notice.

2.157 RIGHTS AND OBLIGATIONS UPON TERMINATION

- (a) If the State terminates this Contract for any reason, the Contractor must (a) stop all work as specified in the notice of termination, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Deliverables or other property derived or resulting from this Contract that may be in Contractor's possession, (c) return all materials and property provided directly or indirectly to Contractor by any entity, agent or employee of the State, (d) transfer title in, and deliver to, the State, unless otherwise directed, all Deliverables intended to be transferred to the State at the termination of the Contract and which are resulting from the Contract (which must be provided to the State on an "As-Is" basis except to the extent the amounts paid by the State in respect of the items included compensation to Contractor for the provision of warranty services in respect of the materials), and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or termination settlement

- costs, to the maximum practical extent, including terminating or limiting as otherwise applicable those Subcontracts and outstanding orders for material and supplies resulting from the terminated Contract.
- (b) If the State terminates this Contract before its expiration for its own convenience, the State must pay Contractor for all charges due for Services provided before the date of termination and, if applicable, as a separate item of payment under this Contract, for Work In Process, on a percentage of completion basis at the level of completion determined by the State. All completed or partially completed Deliverables prepared by Contractor under this Contract, at the option of the State, becomes the State's property, and Contractor is entitled to receive equitable fair compensation for the Deliverables. Regardless of the basis for the termination, the State is not obligated to pay, or otherwise compensate, Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.
- (c) Upon a good faith termination, the State may assume, at its option, any Subcontracts and agreements for services and deliverables provided under this Contract, and may further pursue completion of the Services/Deliverables under this Contract by replacement Contract or otherwise as the State may in its sole judgment deem expedient.

2.158 RESERVATION OF RIGHTS

Any termination of this Contract or any Statement of Work issued under it by a party must be with full reservation of, and without prejudice to, any rights or remedies otherwise available to the party with respect to any claims arising before or as a result of the termination.

2.160 Termination by Contractor

2.161 TERMINATION BY CONTRACTOR

If the State breaches the Contract, and the Contractor in its sole discretion determines that the breach is curable, then the Contractor will provide the State with written notice of the breach and a time period (not less than 30 days) to cure the breach. The Notice of Breach and opportunity to cure is inapplicable for successive and repeated breaches.

The Contractor may terminate this Contract if the State (i) materially breaches its obligation to pay the Contractor undisputed amounts due and owing under this Contract, (ii) breaches its other obligations under this Contract to an extent that makes it impossible or commercially impractical for the Contractor to perform the Services, or (iii) does not cure the breach within the time period specified in a written notice of breach. But the Contractor must discharge its obligations under **Section 2.160** before it terminates the Contract.

2.170 Transition Responsibilities

2.171 CONTRACTOR TRANSITION RESPONSIBILITIES

If the State terminates this Contract, for convenience or cause, or if the Contract is otherwise dissolved, voided, rescinded, nullified, expires or rendered unenforceable, the Contractor shall comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. If this Contract expires or terminates, the Contractor agrees to make all reasonable efforts to effect an orderly transition of services within a reasonable period of time that in no event will exceed 120 days. These efforts must include, but are not limited to, those listed in **Section 2.150**.

2.172 CONTRACTOR PERSONNEL TRANSITION

The Contractor shall work with the State, or a specified third party, to develop a transition plan setting forth the specific tasks and schedule to be accomplished by the parties, to effect an orderly transition. The Contractor must allow as many personnel as practicable to remain on the job to help the State, or a specified third party, maintain the continuity and consistency of the services required by this Contract. In addition, during or following the transition period, in the event the State requires the Services of the Contractor's Subcontractors or vendors, as necessary to meet its needs, Contractor agrees to reasonably, and with good-faith, work with the State to use the Services of Contractor's Subcontractors or vendors. Contractor will notify all of Contractor's Subcontractors of procedures to be followed during transition.

2.173 CONTRACTOR INFORMATION TRANSITION

The Contractor shall provide reasonable detailed specifications for all Services/Deliverables needed by the State, or specified third party, to properly provide the Services/Deliverables required under this Contract. The Contractor will provide the State with asset management data generated from the inception of this Contract through the date on which this Contractor is terminated in a comma-delineated format unless otherwise requested by the State. The Contractor will deliver to the State any remaining owed reports and documentation still in Contractor's possession subject to appropriate payment by the State.

2.174 CONTRACTOR SOFTWARE TRANSITION

The Contractor shall reasonably assist the State in the acquisition of any Contractor software required to perform the Services/use the Deliverables under this Contract. This must include any documentation being used by the Contractor to perform the Services under this Contract. If the State transfers any software licenses to the Contractor, those licenses must, upon expiration of the Contract, transfer back to the State at their current revision level. Upon notification by the State, Contractor may be required to freeze all non-critical changes to Deliverables/Services.

2.175 TRANSITION PAYMENTS

If the transition results from a termination for any reason, the termination provisions of this Contract must govern reimbursement. If the transition results from expiration, the Contractor will be reimbursed for all reasonable transition costs (i.e. costs incurred within the agreed period after Contract expiration that result from transition operations) at the rates agreed upon by the State. The Contractor will prepare an accurate accounting from which the State and Contractor may reconcile all outstanding accounts.

2.176 STATE TRANSITION RESPONSIBILITIES

In the event that this Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the State agrees to reconcile all accounts between the State and the Contractor, complete any pending post-project reviews and perform any others obligations upon which the State and the Contractor agree.

- (a) Reconciling all accounts between the State and the Contractor;
- (b) Completing any pending post-project reviews.

2.180 Stop Work

2.181 STOP WORK ORDERS

The State may, at any time, by written Stop Work Order to Contractor, require that Contractor stop all, or any part, of the work called for by the Contract for a period of up to 90 calendar days after the Stop Work Order is delivered to Contractor, and for any further period to which the parties may agree. The Stop Work Order must be identified as a Stop Work Order and must indicate that it is issued under this **Section**. Upon receipt of the stop work order, Contractor must immediately comply with its terms and take all reasonable steps to minimize incurring costs allocable to the work covered by the Stop Work Order during the period of work stoppage. Within the period of the stop work order, the State must either: (a) cancel the stop work order; or (b) terminate the work covered by the Stop Work Order as provided in **Section 2.182**.

2.182 CANCELLATION OR EXPIRATION OF STOP WORK ORDER

The Contractor shall resume work if the State cancels a Stop Work Order or if it expires. The parties shall agree upon an equitable adjustment in the delivery schedule, the Contract price, or both, and the Contract shall be modified, in writing, accordingly, if: (a) the Stop Work Order results in an increase in the time required for, or in Contractor's costs properly allocable to, the performance of any part of the Contract; and (b) Contractor asserts its right to an equitable adjustment within 30 calendar days after the end of the period of work stoppage; provided that, if the State decides the facts justify the action, the State may receive and act upon a Contractor proposal submitted at any time before final payment under the Contract. Any adjustment will conform to the requirements of **Section 2.024**.

2.183 ALLOWANCE OF CONTRACTOR COSTS

If the Stop Work Order is not canceled and the work covered by the Stop Work Order is terminated for reasons other than material breach, the termination shall be deemed to be a termination for convenience under **Section 2.153**, and the State shall pay reasonable costs resulting from the Stop Work Order in arriving at the

termination settlement. For the avoidance of doubt, the State shall not be liable to Contractor for loss of profits because of a Stop Work Order issued under this Section.

2.190 Dispute Resolution

2.191 IN GENERAL

Any claim, counterclaim, or dispute between the State and Contractor arising out of or relating to the Contract or any Statement of Work must be resolved as follows. For all Contractor claims seeking an increase in the amounts payable to Contractor under the Contract, or the time for Contractor's performance, Contractor must submit a letter, together with all data supporting the claims, executed by Contractor's Contract Administrator or the Contract Administrator's designee certifying that (a) the claim is made in good faith, (b) the amount claimed accurately reflects the adjustments in the amounts payable to Contractor or the time for Contractor's performance for which Contractor believes the State is liable and covers all costs of every type to which Contractor is entitled from the occurrence of the claimed event, and (c) the claim and the supporting data are current and complete to Contractor's best knowledge and belief.

2.192 INFORMAL DISPUTE RESOLUTION

(a) All disputes between the parties shall be resolved under the Contract Management procedures in this Contract. If the parties are unable to resolve any dispute after compliance with the processes, the parties must meet with the Director of Procurement, DTMB, or designee, to resolve the dispute without the need for formal legal proceedings, as follows:

(1) The representatives of Contractor and the State must meet as often as the parties reasonably deem necessary to gather and furnish to each other all information with respect to the matter at issue which the parties believe to be appropriate and germane in connection with its resolution. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any formal proceeding.

(2) During the course of negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to the Contract shall be honored in order that each of the parties may be fully advised of the other's position.

(3) The specific format for the discussions shall be left to the discretion of the designated State and Contractor representatives, but may include the preparation of agreed upon statements of fact or written statements of position.

(4) Following the completion of this process within 60 calendar days, the Director of Procurement, DTMB, or designee, shall issue a written opinion regarding the issue(s) in dispute within 30 calendar days. The opinion regarding the dispute must be considered the State's final action and the exhaustion of administrative remedies.

(b) This Section shall not be construed to prevent either party from instituting, and a party is authorized to institute, formal proceedings earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or under Section 2.193.

(c) The State shall not mediate disputes between the Contractor and any other entity, except state agencies, concerning responsibility for performance of work under the Contract.

2.193 INJUNCTIVE RELIEF

The only circumstance in which disputes between the State and Contractor shall not be subject to the provisions of **Section 2.192** is where a party makes a good faith determination that a breach of the terms of the Contract by the other party is that the damages to the party resulting from the breach shall be so immediate, so large or severe and so incapable of adequate redress after the fact that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.

2.194 CONTINUED PERFORMANCE

Each party agrees to continue performing its obligations under the Contract while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute over payment must not be deemed to preclude performance) and without limiting either party's right to terminate the Contract as provided in **Section 2.150**, as the case may be.

2.200 Federal and State Contract Requirements

2.201 NONDISCRIMINATION

In the performance of the Contract, Contractor agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, and marital status, physical or mental disability. Contractor further agrees that every Subcontract entered into for the performance of this Contract or any purchase order resulting from this Contract will contain a provision requiring non-discrimination in employment, as specified here, binding upon each Subcontractor. This covenant is required under the Elliot Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, et seq., and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., and any breach of this provision may be regarded as a material breach of the Contract.

2.202 UNFAIR LABOR PRACTICES

Under 1980 PA 278, MCL 423.321, et seq., the State shall not award a Contract or Subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled under section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A Contractor of the State, in relation to the Contract, shall not enter into a Contract with a Subcontractor, manufacturer, or supplier whose name appears in this register. Under section 4 of 1980 PA 278, MCL 423.324, the State may void any Contract if, after award of the Contract, the name of Contractor as an employer or the name of the Subcontractor, manufacturer or supplier of Contractor appears in the register.

2.203 WORKPLACE SAFETY AND DISCRIMINATORY HARASSMENT

In performing Services for the State, the Contractor shall comply with the Department of Civil Services Rule 2-20 regarding Workplace Safety and Rule 1-8.3 regarding Discriminatory Harassment. In addition, the Contractor shall comply with Civil Service regulations and any applicable agency rules provided to the Contractor. For Civil Service Rules, see <http://www.mi.gov/mdcs/0,1607,7-147-6877---,00.html>.

2.204 PREVAILING WAGE

Wages rates and fringe benefits to be paid each class of individuals employed by the Contractor, its Subcontractors, their Subcontractors, and all persons involved with the performance of this Contract in privity of Contract with the Contractor shall not be less than the wage rates and fringe benefits established by the Michigan Department of Licensing and Regulatory Affairs, Wage and Hour Division, schedule of occupational classification and wage rates and fringe benefits for the local where the work is to be performed. The term Contractor shall include all general Contractors, prime Contractors, project managers, trade Contractors, and all of their Contractors or Subcontractors and persons in privity of Contract with them.

The Contractor, its Subcontractors, their Subcontractors and all persons involved with the performance of this Contract in privity of Contract with the Contractor shall keep posted on the work site, in a conspicuous place, a copy of all wage rates and fringe benefits as prescribed in the Contract. Contractor shall also post, in a conspicuous place, the address and telephone number of the Michigan Department of Licensing and Regulatory Affairs, the agency responsible for enforcement of the wage rates and fringe benefits. Contractor shall keep an accurate record showing the name and occupation of the actual wage and benefits paid to each individual employed in connection with this Contract. This record shall be available to the State upon request for reasonable inspection.

If any trade is omitted from the list of wage rates and fringe benefits to be paid to each class of individuals by the Contractor, it is understood that the trades omitted shall also be paid not less than the wage rate and fringe benefits prevailing in the local where the work is to be performed.

2.210 Governing Law

2.211 GOVERNING LAW

The Contract shall in all respects be governed by, and construed according to, the substantive laws of the State of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of any other jurisdiction to the extent not inconsistent with, or pre-empted by federal law.

2.212 COMPLIANCE WITH LAWS

Contractor shall comply with all applicable state, federal and local laws and ordinances in providing the Services/Deliverables.

2.213 JURISDICTION

Any dispute arising from the Contract shall be resolved in the State of Michigan. With respect to any claim between the parties, Contractor consents to venue in Ingham County, Michigan, and irrevocably waives any objections it may have to the jurisdiction on the grounds of lack of personal jurisdiction of the court or the laying of venue of the court or on the basis of forum non conveniens or otherwise. Contractor agrees to appoint agents in the State of Michigan to receive service of process.

2.220 Limitation of Liability

2.221 LIMITATION OF LIABILITY

Neither the Contractor nor the State is liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability does not apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorneys' fees awarded by a court in addition to damages after litigation based on this Contract.

2.230 Disclosure Responsibilities

2.231 DISCLOSURE OF LITIGATION

Contractor shall disclose any material criminal litigation, investigations or proceedings involving the Contractor (and each Subcontractor) or any of its officers or directors or any litigation, investigations or proceedings under the Sarbanes-Oxley Act. In addition, each Contractor (and each Subcontractor) shall notify the State of any material civil litigation, arbitration or proceeding which arises during the term of the Contract and extensions, to which Contractor (or, to the extent Contractor is aware, any Subcontractor) is a party, and which involves: (i) disputes that might reasonably be expected to adversely affect the viability or financial stability of Contractor or any Subcontractor; or (ii) a claim or written allegation of fraud against Contractor or, to the extent Contractor is aware, any Subcontractor by a governmental or public entity arising out of their business dealings with governmental or public entities. The Contractor shall disclose in writing to the Contract Administrator any litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") within 30 days of its occurrence. Details of settlements that are prevented from disclosure by the terms of the settlement may be annotated. Information provided to the State from Contractor's publicly filed documents referencing its material litigation shall be deemed to satisfy the requirements of this Section.

If any Proceeding disclosed to the State under this Section, or of which the State otherwise becomes aware, during the term of this Contract would cause a reasonable party to be concerned about:

- (a) the ability of Contractor (or a Subcontractor) to continue to perform this Contract according to its terms and conditions, or
- (b) whether Contractor (or a Subcontractor) in performing Services for the State is engaged in conduct which is similar in nature to conduct alleged in the Proceeding, which conduct would constitute a breach of this Contract or a violation of Michigan law, regulations or public policy, then the Contractor must provide the State all reasonable assurances requested by the State to demonstrate that:
 - (1) Contractor and its Subcontractors will be able to continue to perform this Contract and any Statements of Work according to its terms and conditions, and
 - (2) Contractor and its Subcontractors have not and will not engage in conduct in performing the Services which is similar in nature to the conduct alleged in the Proceeding.

- (c) Contractor shall make the following notifications in writing:
- (1) Within 30 days of Contractor becoming aware that a change in its ownership or officers has occurred, or is certain to occur, or a change that could result in changes in the valuation of its capitalized assets in the accounting records, Contractor must notify DTMB-Procurement.
 - (2) Contractor shall also notify DTMB Procurement within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership or officers.
 - (3) Contractor shall also notify DTMB-Procurement within 30 days whenever changes to company affiliations occur.

2.232 CALL CENTER DISCLOSURE

Contractor and/or all Subcontractors involved in the performance of this Contract providing call or contact center services to the State shall disclose the location of its call or contact center services to inbound callers. Failure to disclose this information is a material breach of this Contract.

2.233 BANKRUPTCY

The State may, without prejudice to any other right or remedy, terminate this Contract, in whole or in part, and, at its option, may take possession of the "Work in Process" and finish the Works in Process by whatever appropriate method the State may deem expedient if:

- (a) the Contractor files for protection under the bankruptcy laws;
- (b) an involuntary petition is filed against the Contractor and not removed within 30 days;
- (c) the Contractor becomes insolvent or if a receiver is appointed due to the Contractor's insolvency;
- (d) the Contractor makes a general assignment for the benefit of creditors; or
- (e) the Contractor or its affiliates are unable to provide reasonable assurances that the Contractor or its affiliates can deliver the services under this Contract.

Contractor will fix appropriate notices or labels on the Work in Process to indicate ownership by the State. To the extent reasonably possible, materials and Work in Process shall be stored separately from other stock and marked conspicuously with labels indicating ownership by the State.

2.240 Performance

2.241 TIME OF PERFORMANCE

- (a) Contractor shall use commercially reasonable efforts to provide the resources necessary to complete all Services and Deliverables according to the time schedules contained in the Statements of Work and other Exhibits governing the work, and with professional quality.
- (b) Without limiting the generality of **Section 2.241**, Contractor shall notify the State in a timely manner upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion of any Deliverables/Services on the scheduled due dates in the latest State-approved delivery schedule and must inform the State of the projected actual delivery date.
- (c) If the Contractor believes that a delay in performance by the State has caused or will cause the Contractor to be unable to perform its obligations according to specified Contract time periods, the Contractor must notify the State in a timely manner and must use commercially reasonable efforts to perform its obligations according to the Contract time periods notwithstanding the State's failure. Contractor will not be in default for a delay in performance to the extent the delay is caused by the State.

2.242 SERVICE LEVEL AGREEMENT (SLA)

- (a) SLAs will be completed with the following operational considerations:
 - (1) SLAs will not be calculated for individual Incidents where any event of Excusable Failure has been determined; Incident means any interruption in Services.
 - (2) SLAs will not be calculated for individual Incidents where loss of service is planned and where the State has received prior notification or coordination.
 - (3) SLAs will not apply if the applicable Incident could have been prevented through planning proposed by Contractor and not implemented at the request of the State. To invoke this consideration, complete documentation relevant to the denied planning proposal must be presented to substantiate the proposal.

- (4) Time period measurements will be based on the time Incidents are received by the Contractor and the time that the State receives notification of resolution based on 24x7x365 time period, except that the time period measurement will be suspended based on the following:
 - (i) Time period(s) will not apply where Contractor does not have access to a physical State Location and where access to the State Location is necessary for problem identification and resolution.
 - (ii) Time period(s) will not apply where Contractor needs to obtain timely and accurate information or appropriate feedback and is unable to obtain timely and accurate information or appropriate feedback from the State.
- (b) Chronic Failure for any Service(s) will be defined as three unscheduled outage(s) or interruption(s) on any individual Service for the same reason or cause or if the same reason or cause was reasonably discoverable in the first instance over a rolling 30 day period. Chronic Failure will result in the State's option to terminate the effected individual Service(s) and procure them from a different vendor for the chronic location(s) with Contractor to pay the difference in charges for up to three additional months. The termination of the Service will not affect any tiered pricing levels.
- (c) Root Cause Analysis will be performed on any Business Critical outage(s) or outage(s) on Services when requested by the Contract Administrator. Contractor will provide its analysis within two weeks of outage(s) and provide a recommendation for resolution.
- (d) All decimals must be rounded to two decimal places with five and greater rounding up and four and less rounding down unless otherwise specified.

2.243 LIQUIDATED DAMAGES

The parties acknowledge that late or improper completion of the Work will cause loss and damage to the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result. Therefore, Contractor and the State agree that if there is late or improper completion of the Work and the State does not elect to exercise its rights under **Section 2.152**, the State is entitled to collect liquidated damages in the amount of \$5,000.00 and an additional \$100.00 per day for each day Contractor fails to remedy the late or improper completion of the Work.

Unauthorized Removal of any Key Personnel

It is acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of the 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 2.152**, the State may assess liquidated damages against Contractor as specified below.

For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the liquidated damages amount is \$25,000.00 per individual if the Contractor identifies a replacement approved by the State under **Section 2.060** and assigns the replacement to the Project to shadow the Key Personnel who is leaving for a period of at least 30 days before the Key Personnel's removal.

If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least 30 days, in addition to the \$25,000.00 liquidated damages for an Unauthorized Removal, Contractor must pay the amount of \$833.33 per day for each day of the 30 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 liquidated damages that may be assessed per Unauthorized Removal and failure to provide 30 days of shadowing must not exceed \$50,000.00 per individual.

2.244 EXCUSABLE FAILURE

Neither party will be liable for any default, damage or delay in the performance of its obligations under the Contract to the extent the default, damage or delay is caused by government regulations or requirements (executive, legislative, judicial, military or otherwise), power failure, electrical surges or current fluctuations, lightning, earthquake, war, water or other forces of nature or acts of God, delays or failures of transportation, equipment shortages, suppliers' failures, or acts or omissions of common carriers, fire; riots, civil disorders; strikes or other labor disputes, embargoes; injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of a party; provided the non-performing party and its Subcontractors are without fault in causing the default or delay, and the default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means, including disaster recovery plans.

If a party does not perform its Contractual obligations for any of the reasons listed above, the non-performing party will be excused from any further performance of its affected obligation(s) for as long as the circumstances prevail. But the party must use commercially reasonable efforts to recommence performance whenever and to whatever extent possible without delay. A party must promptly notify the other party in writing immediately after the excusable failure occurs, and also when it abates or ends.

If any of the above-enumerated circumstances substantially prevent, hinder, or delay the Contractor's performance of the Services/provision of Deliverables for more than 10 Business Days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected Services/Deliverables from an alternate source, and the State is not be liable for payment for the unperformed Services/ Deliverables not provided under the Contract for so long as the delay in performance continues; (b) the State may terminate any portion of the Contract so affected and the charges payable will be equitably adjusted to reflect those Services/Deliverables terminated; or (c) the State may terminate the affected Statement of Work without liability to Contractor as of a date specified by the State in a written notice of termination to the Contractor, except to the extent that the State must pay for Services/Deliverables provided through the date of termination.

The Contractor will not have the right to any additional payments from the State as a result of any Excusable Failure occurrence or to payments for Services not rendered/Deliverables not provided as a result of the Excusable Failure condition. Defaults or delays in performance by Contractor which are caused by acts or omissions of its Subcontractors will not relieve Contractor of its obligations under the Contract except to the extent that a Subcontractor is itself subject to an Excusable Failure condition described above and Contractor cannot reasonably circumvent the effect of the Subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.

2.250 Approval of Deliverables

2.251 DELIVERY OF DELIVERABLES

A list of the Deliverables to be prepared and delivered by Contractor including, for each Deliverable, the scheduled delivery date and a designation of whether the Deliverable is a document ("Written Deliverable") or a Custom Software Deliverable is attached, if applicable. All Deliverables shall be completed and delivered for State review and written approval and, where applicable, installed in accordance with the State-approved delivery schedule and any other applicable terms and conditions of this Contract.

Prior to delivering any Deliverable to the State, Contractor will first perform all required quality assurance activities, and, in the case of Custom Software Deliverables, System Testing to verify that the Deliverable is complete and in conformance with its specifications. Before delivering a Deliverable to the State, Contractor shall certify to the State that (1) it has performed such quality assurance activities, (2) it has performed any applicable testing, (3) it has corrected all material deficiencies discovered during such quality assurance activities and testing, (4) the Deliverable is in a suitable state of readiness for the State's review and approval, and (5) the Deliverable/Service has all Critical Security patches/updates applied.

In discharging its obligations under this Section, Contractor shall be at all times (except where the parties agree otherwise in writing) in compliance with Level 3 of the Software Engineering Institute's Capability Maturity Model for Software ("CMM Level 3") or its equivalent.

2.252 CONTRACTOR SYSTEM TESTING

Contractor will be responsible for System Testing each Custom Software Deliverable in Contractor's development environment prior to turning over the Custom Software Deliverable to the State for User Acceptance Testing and approval. Contractor's System Testing shall include the following, at a minimum, plus any other testing required by CMM Level 3 or Contractor's system development methodology:

Contractor will be responsible for performing Unit Testing and incremental Integration Testing of the components of each Custom Software Deliverable.

Contractor's System Testing will also include Integration Testing of each Custom Software Deliverable to ensure proper inter-operation with all prior software Deliverables, interfaces and other components that are intended to inter-operate with such Custom Software Deliverable, and will include Regression Testing, volume and stress testing to ensure that the Custom Software Deliverables are able to meet the State's projected growth in the number and size of transactions to be processed by the Application and number of users, as such projections are set forth in the applicable Statement of Work.

Contractor's System Testing will also include Business Function Testing and Technical Testing of each Application in a simulated production environment. Business Function Testing will include testing of full work streams that flow through the Application as the Application will be incorporated within the State's computing environment. The State shall participate in and provide support for the Business Function Testing to the extent reasonably requested by Contractor. Within ten (10) days before the commencement of Business Function Testing pursuant to this Section, Contractor shall provide the State for State review and written approval Contractor's test plan for Business Function Testing.

Within five (5) Business Days following the completion of System Testing pursuant to this **Section**, Contractor shall provide to the State a testing matrix establishing that testing for each condition identified in the System Testing plans has been conducted and successfully concluded. To the extent that testing occurs on State premises, the State shall be entitled to observe or otherwise participate in testing under this Section as the State may elect.

2.253 APPROVAL OF DELIVERABLES, IN GENERAL

All Deliverables (Written Deliverables and Custom Software Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which, in the case of Custom Software Deliverables, will include the successful completion of State User Acceptance Testing, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.

The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed. If Contractor fails to provide a Deliverable to the State in a timely manner, the State will nevertheless use commercially reasonable efforts to complete its review or testing within the applicable State Review Period.

Before commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable (e.g., software, associated documentation, and other materials) have been delivered. If the State determines that the Deliverable is incomplete, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State receives the Deliverable and the applicable certification by Contractor in accordance with this Section.

The State will approve in writing a Deliverable upon confirming that it conforms to and, in the case of a Custom Software Deliverable, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.

If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing State approval of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep this Contract in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses without the need to furnish proof in substantiation of such general expenses; or (iii) terminate this Contract for default, either in whole or in part by notice to Contractor (and without the need to afford Contractor any further opportunity to cure). Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.

The State, at any time and in its own discretion, may halt the UAT or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the review or UAT process and, in that event, Contractor will correct the deficiencies in such Deliverable in accordance with the Contract, as the case may be.

Approval in writing of a Deliverable by the State shall be provisional; that is, such approval shall not preclude the State from later identifying deficiencies in, and declining to accept, a subsequent Deliverable based on or which incorporates or inter-operates with an approved Deliverable, to the extent that the results of subsequent review or testing indicate the existence of deficiencies in the subsequent Deliverable, or if the Application of which the subsequent Deliverable is a component otherwise fails to be accepted pursuant to **Section 2.080**.

2.254 PROCESS FOR APPROVAL OF WRITTEN DELIVERABLES

The State Review Period for Written Deliverables will be the number of days set forth in the applicable Statement of Work following delivery of the final version of the Written Deliverable (failing which the State Review Period, by default, shall be five (5) Business Days for Written Deliverables of one hundred (100) pages or less and ten (10) Business Days for Written Deliverables of more than one hundred (100) pages). The duration of the State Review Periods will be doubled if the State has not had an opportunity to review an interim draft of the Written Deliverable prior to its submission to the State. The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Written Deliverable is approved in the form delivered by Contractor or describing any deficiencies that shall be corrected prior to approval of the Written Deliverable (or at the State's election, subsequent to approval of the Written Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within five (5) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Written Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Written Deliverable to confirm that the identified deficiencies have been corrected.

2.255 PROCESS FOR APPROVAL OF CUSTOM SOFTWARE DELIVERABLES

The State will conduct UAT of each Custom Software Deliverable in accordance with the following procedures to determine whether it meets the criteria for State approval – i.e., whether it conforms to and performs in accordance with its specifications without material deficiencies.

Within thirty (30) days (or such other number of days as the parties may agree to in writing) prior to Contractor's delivery of any Custom Software Deliverable to the State for approval, Contractor shall provide to the State a set of proposed test plans, including test cases, scripts, data and expected outcomes, for the State's use (which the State may supplement in its own discretion) in conducting UAT of the Custom Software Deliverable. Contractor, upon request by the State, shall provide the State with reasonable assistance and support during the UAT process.

For the Custom Software Deliverables listed in an attachment, the State Review Period for conducting UAT will be as indicated in the attachment. For any other Custom Software Deliverables not listed in an attachment, the State Review Period shall be the number of days agreed in writing by the parties (failing which it shall be forty-five (45) days by default). The State Review Period for each Custom Software Deliverable will begin when Contractor has delivered the Custom Software Deliverable to the State accompanied by the certification required by this **Section** and the State's inspection of the Deliverable has confirmed that all components of it have been delivered.

The State's UAT will consist of executing test scripts from the proposed testing submitted by Contractor, but may also include any additional testing deemed appropriate by the State. If the State determines during the UAT that the Custom Software Deliverable contains any deficiencies, the State will notify Contractor of the deficiency by making an entry in an incident reporting system available to both Contractor and the State. Contractor will modify promptly the Custom Software Deliverable to correct the reported deficiencies, conduct appropriate System Testing (including, where applicable, Regression Testing) to confirm the proper correction of the deficiencies and re-deliver the corrected version to the State for re-testing in UAT. Contractor will coordinate the re-delivery of corrected versions of Custom Software Deliverables with the State so as not to

disrupt the State's UAT process. The State will promptly re-test the corrected version of the Software Deliverable after receiving it from Contractor.

Within three (3) business days after the end of the State Review Period, the State will give Contractor a written notice indicating the State's approval or rejection of the Custom Software Deliverable according to the criteria and process set out in this **Section**.

2.256 FINAL ACCEPTANCE

"Final Acceptance" shall be considered to occur when the Custom Software Deliverable to be delivered has been approved by the State and has been operating in production without any material deficiency for fourteen (14) consecutive days. If the State elects to defer putting a Custom Software Deliverable into live production for its own reasons, not based on concerns about outstanding material deficiencies in the Deliverable, the State shall nevertheless grant Final Acceptance of the Project.

2.260 Ownership

2.261 OWNERSHIP OF WORK PRODUCT BY STATE

The State owns all Deliverables, as they are work made for hire by the Contractor for the State. The State owns all United States and international copyrights, trademarks, patents or other proprietary rights in the Deliverables.

2.262 VESTING OF RIGHTS

With the sole exception of any preexisting licensed works identified in the SOW, the Contractor assigns, and upon creation of each Deliverable automatically assigns, to the State, ownership of all United States and international copyrights, trademarks, patents, or other proprietary rights in each and every Deliverable, whether or not registered by the Contractor, insofar as any the Deliverable, by operation of law, may not be considered work made for hire by the Contractor for the State. From time to time upon the State's request, the Contractor must confirm the assignment by execution and delivery of the assignments, confirmations of assignment, or other written instruments as the State may request. The State may obtain and hold in its own name all copyright, trademark, and patent registrations and other evidence of rights that may be available for Deliverables.

2.263 RIGHTS IN DATA

The State is the owner of all data made available by the State to the Contractor or its agents, Subcontractors or representatives under the Contract. The Contractor will not use the State's data for any purpose other than providing the Services, nor will any part of the State's data be disclosed, sold, assigned, leased or otherwise disposed of to the general public or to specific third parties or commercially exploited by or on behalf of the Contractor. No employees of the Contractor, other than those on a strictly need-to-know basis, have access to the State's data. Contractor will not possess or assert any lien or other right against the State's data. Without limiting the generality of this Section, the Contractor must only use personally identifiable information as strictly necessary to provide the Services and must disclose the information only to its employees who have a strict need-to-know the information. The Contractor must comply at all times with all laws and regulations applicable to the personally identifiable information.

The State is the owner of all State-specific data under the Contract. The State may use the data provided by the Contractor for any purpose. The State will not possess or assert any lien or other right against the Contractor's data. Without limiting the generality of this Section, the State may use personally identifiable information only as strictly necessary to utilize the Services and must disclose the information only to its employees who have a strict need to know the information, except as provided by law. The State must comply at all times with all laws and regulations applicable to the personally identifiable information. Other material developed and provided to the State remains the State's sole and exclusive property.

2.264 OWNERSHIP OF MATERIALS

The State and the Contractor will continue to own their respective proprietary technologies developed before entering into the Contract. Any hardware bought through the Contractor by the State, and paid for by the State, will be owned by the State. Any software licensed through the Contractor and sold to the State, will be licensed directly to the State.

2.270 State Standards

2.271 EXISTING TECHNOLOGY STANDARDS

The Contractor must adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards at <http://www.michigan.gov/dmb/0,4568,7-150-56355-108233--,00.html>;

2.272 ACCEPTABLE USE POLICY

To the extent that Contractor has access to the State computer system, Contractor must comply with the State's Acceptable Use Policy, see http://michigan.gov/cybersecurity/0,1607,7-217-34395_34476---,00.html. All Contractor employees must be required, in writing, to agree to the State's Acceptable Use Policy before accessing the State system. The State reserves the right to terminate Contractor's access to the State system if a violation occurs.

2.273 SYSTEMS CHANGES

Contractor is not responsible for and not authorized to make changes to any State systems without written authorization from the Project Manager. Any changes Contractor makes to State systems with the State's approval must be done according to applicable State procedures, including security, access and configuration management procedures.

2.274 ELECTRONIC RECEIPT PROCESSING STANDARD

All electronic commerce applications that allow for electronic receipt of credit/debit card and electronic check (ACH) transactions must be processed via the Centralized Electronic Payment Authorization System (CEPAS).

2.280 Extended Purchasing Program

2.281 EXTENDED PURCHASING PROGRAM

The Agreement will be extended to MiDEAL members. MiDEAL members include local units of government, school districts, universities, community colleges, and nonprofit hospitals. A current list of MiDEAL members is available at www.michigan.gov/mideal. Upon mutual written agreement between the State of Michigan and the Contractor, this Agreement may be extended to (a) State of Michigan employees, or (b) other states (including governmental subdivisions and authorized entities).

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

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

2.290 Environmental Provision

2.291 ENVIRONMENTAL PROVISION

Energy Efficiency Purchasing Policy: The State seeks wherever possible to purchase energy efficient products. This includes giving preference to U.S. Environmental Protection Agency (EPA) certified 'Energy Star' products for any category of products for which EPA has established Energy Star certification. For other purchases, the State may include energy efficiency as one of the priority factors to consider when choosing among comparable products.

Environmental Purchasing Policy: The State of Michigan is committed to encouraging the use of products and services that impact the environment less than competing products. The State is accomplishing this by

including environmental considerations in purchasing decisions, while remaining fiscally responsible, to promote practices that improve worker health, conserve natural resources, and prevent pollution. Environmental components that are to be considered include: recycled content and recyclables; energy efficiency; and the presence of undesirable materials in the products, especially those toxic chemicals which are persistent and bioaccumulative. The Contractor should be able to supply products containing recycled and environmentally preferable materials that meet performance requirements and is encouraged to offer such products throughout the duration of this Contract. Information on any relevant third party certification (such as Green Seal, Energy Star, etc.) should also be provided.

Hazardous Materials: For the purposes of this Section, "Hazardous Materials" is a generic term used to describe asbestos, ACBMs, PCBs, petroleum products, construction materials including paint thinners, solvents, gasoline, oil, and any other material the manufacture, use, treatment, storage, transportation or disposal of which is regulated by the federal, state or local laws governing the protection of the public health, natural resources or the environment. This includes, but is not limited to, materials the as batteries and circuit packs, and other materials that are regulated as (1) "Hazardous Materials" under the Hazardous Materials Transportation Act, (2) "chemical hazards" under the Occupational Safety and Health Administration standards, (3) "chemical substances or mixtures" under the Toxic Substances Control Act, (4) "pesticides" under the Federal Insecticide Fungicide and Rodenticide Act, and (5) "hazardous wastes" as defined or listed under the Resource Conservation and Recovery Act.

- (a) The Contractor shall use, handle, store, dispose of, process, transport and transfer any material considered a Hazardous Material according to all federal, State and local laws. The State shall provide a safe and suitable environment for performance of Contractor's Work. Before the commencement of Work, the State shall advise the Contractor of the presence at the work site of any Hazardous Material to the extent that the State is aware of the Hazardous Material. If the Contractor encounters material reasonably believed to be a Hazardous Material and which may present a substantial danger, the Contractor shall immediately stop all affected Work, notify the State in writing about the conditions encountered, and take appropriate health and safety precautions.
- (b) Upon receipt of a written notice, the State will investigate the conditions. If (a) the material is a Hazardous Material that may present a substantial danger, and (b) the Hazardous Material was not brought to the site by the Contractor, or does not result in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Materials, the State shall order a suspension of Work in writing. The State shall proceed to have the Hazardous Material removed or rendered harmless. In the alternative, the State shall terminate the affected Work for the State's convenience.
- (c) Once the Hazardous Material has been removed or rendered harmless by the State, the Contractor shall resume Work as directed in writing by the State. Any determination by the Michigan Department of Community Health or the Michigan Department of Environmental Quality that the Hazardous Material has either been removed or rendered harmless is binding upon the State and Contractor for the purposes of resuming the Work. If any incident with Hazardous Material results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Work will not be counted in a time as mutually agreed by the parties.
- (d) If the Hazardous Material was brought to the site by the Contractor, or results in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Material, or from any other act or omission within the control of the Contractor, the Contractor shall bear its proportionate share of the delay and costs involved in cleaning up the site and removing and rendering harmless the Hazardous Material according to Applicable Laws to the condition approved by applicable regulatory agency(ies).

Labeling: Michigan has a Consumer Products Rule pertaining to labeling of certain products containing volatile organic compounds. For specific details visit http://www.michigan.gov/deq/0,1607,7-135-3310_4108-173523--,00.html

Refrigeration and Air Conditioning: The Contractor shall comply with the applicable requirements of Sections 608 and 609 of the Clean Air Act (42 U.S.C. 7671g and 7671h) as each or both apply to this Contract.

Environmental Performance: Waste Reduction Program - Contractor shall establish a program to promote cost-effective waste reduction in all operations and facilities covered by this Contract. The Contractor's programs shall comply with applicable Federal, State, and local requirements, specifically including Section 6002 of the Resource Conservation and Recovery Act (42 U.S.C. 6962, et seq.).

2.300 Deliverables

2.301 SOFTWARE

A list of the items of software the State is required to purchase for executing the Contract is attached. The list includes all software required to complete the Contract and make the Deliverables operable; if any additional software is required in order for the Deliverables to meet the requirements of this Contract, such software shall be provided to the State by Contractor at no additional charge (except where agreed upon and specified in a Statement of Work or Contract Change Notice). The attachment also identifies certain items of software to be provided by the State.

2.302 HARDWARE

A list of the items of hardware the State is required to purchase for executing the Contract is attached. The list includes all hardware required to complete the Contract and make the Deliverables operable; if any additional hardware is required in order for the Deliverables to meet the requirements of this Contract, such hardware shall be provided to the State by Contractor at no additional charge (except where agreed upon and specified in a Contract Change Notice). The attachment also identifies certain items of hardware to be provided by the State.

2.310 Software Warranties

2.311 PERFORMANCE WARRANTY

The Contractor represents and warrants that Deliverables, after Final Acceptance, will perform and operate in compliance with the requirements and other standards of performance contained in this Contract (including all descriptions, specifications and drawings made a part of the Contract) for a period of (90) ninety days. In the event of a breach of this warranty, Contractor will promptly correct the affected Deliverable(s) at no charge to the State.

2.312 NO SURREPTITIOUS CODE WARRANTY

The Contractor represents and warrants that no copy of licensed Software provided to the State contains or will contain any Self-Help Code or any Unauthorized Code as defined below. This warranty is referred to in this Contract as the "No Surreptitious Code Warranty."

As used in this Contract, "Self-Help Code" means any back door, time bomb, drop dead device, or other software routine designed to disable a computer program automatically with the passage of time or under the positive control of a person other than the licensee of the software. Self-Help Code does not include Software routines in a computer program, if any, designed to permit an owner of the computer program (or other person acting by authority of the owner) to obtain access to a licensee's computer system(s) (e.g. remote access via modem) for purposes of maintenance or technical support.

As used in this Contract, "Unauthorized Code" means any virus, Trojan horse, spyware, worm or other Software routines or components designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data; or to perform any other such actions. The term Unauthorized Code does not include Self-Help Code. Unauthorized Code does not include Software routines in a computer program, if any, designed to permit an owner of the computer program (or other person acting by authority of the owner) to obtain access to a licensee's computer system(s) (e.g. remote access via modem) for purposes of maintenance or technical support.

In addition, Contractor will use up-to-date commercial virus detection software to detect and remove any viruses from any software prior to delivering it to the State.

2.313 CALENDAR WARRANTY

The Contractor represents and warrants that all software for which the Contractor either sells or licenses to the State of Michigan and used by the State prior to, during or after the calendar year 2000, includes or shall include, at no added cost to the State, design and performance so the State shall not experience software abnormality and/or the generation of incorrect results from the software, due to date oriented processing, in the operation of the business of the State of Michigan.

The software design, to insure calendar year rollover compatibility, shall include, but is not limited to: data structures (databases, data files, etc.) that provide 4-digit date century; stored data that contain date century recognition, including, but not limited to, data stored in databases and hardware device internal system dates; calculations and program logic (e.g., sort algorithms, calendar generation, event recognition, and all processing actions that use or produce date values) that accommodates same century and multi-century formulas and date values; interfaces that supply data to and receive data from other systems or organizations that prevent non-compliant dates and data from entering any State system; user interfaces (i.e., screens, reports, etc.) that accurately show 4 digit years; and assurance that the year 2000 shall be correctly treated as a leap year within all calculation and calendar logic.

2.314 THIRD-PARTY SOFTWARE WARRANTY

The Contractor represents and warrants that it will disclose the use or incorporation of any third-party software into the Deliverables. At the time of Delivery, the Contractor shall provide in writing the name and use of any Third-party Software, including information regarding the Contractor's authorization to include and utilize such software. The notice shall include a copy of any ownership agreement or license that authorizes the Contractor to use the Third-party Software.

2.315 PHYSICAL MEDIA WARRANTY

Contractor represents and warrants that each licensed copy of the Software provided by the Contractor is free from physical defects in the media that tangibly embodies the copy. This warranty does not apply to defects discovered more than (30) thirty days after that date of Final Acceptance of the Software by the State. This warranty does not apply to defects arising from acts of Excusable Failure. If the Contractor breaches this warranty, then the State shall be entitled to replacement of the non-compliant copy by Contractor, at Contractor's expense (including shipping and handling).

2.320 Software Licensing

2.321 CROSS-LICENSE, DELIVERABLES ONLY, LICENSE TO CONTRACTOR

The State grants to the Contractor, the royalty-free, world-wide, non-exclusive right and license under any Deliverable now or in the future owned by the State, or with respect to which the State has a right to grant such rights or licenses, to the extent required by the Contractor to market the Deliverables and exercise its full rights in the Deliverables, including, without limitation, the right to make, use and sell products and services based on or incorporating such Deliverables.

2.322 CROSS-LICENSE, DELIVERABLES AND DERIVATIVE WORK, LICENSE TO CONTRACTOR

The State grants to the Contractor, the royalty-free, world-wide, non-exclusive right and license under any Deliverable and/or Derivative Work now or in the future owned by the State, or with respect to which the State has a right to grant such rights or licenses, to the extent required by the Contractor to market the Deliverables and/or Derivative Work and exercise its full rights in the Deliverables and/or Derivative Work, including, without limitation, the right to make, use and sell products and services based on or incorporating such Deliverables and/or Derivative Work.

2.323 LICENSE BACK TO THE STATE

Unless otherwise specifically agreed to by the State, before initiating the preparation of any Deliverable that is a Derivative of a preexisting work, the Contractor shall cause the State to have and obtain the irrevocable, nonexclusive, worldwide, royalty-free right and license to (1) use, execute, reproduce, display, perform, distribute internally or externally, sell copies of, and prepare Derivative Works based upon all preexisting works and Derivative Works thereof, and (2) authorize or sublicense others from time to time to do any or all of the foregoing.

2.324 LICENSE RETAINED BY CONTRACTOR

Contractor grants to the State a non-exclusive, royalty-free, site-wide, irrevocable, transferable license to use the Software and related documentation according to the terms and conditions of this Contract. For the purposes of this license, "site-wide" includes any State of Michigan office regardless of its physical location.

The State may modify the Software and may combine such with other programs or materials to form a derivative work. The State will own and hold all copyright, trademarks, patent and other intellectual property rights in any derivative work, excluding any rights or interest in Software other than those granted in this Contract.

The State may copy each item of Software to multiple hard drives or networks unless otherwise agreed by the parties.

The State will make and maintain no more than one archival copy of each item of Software, and each copy will contain all legends and notices and will be subject to the same conditions and restrictions as the original. The State may also make copies of the Software in the course of routine backups of hard drive(s) for the purpose of recovery of hard drive contents.

In the event that the Contractor shall, for any reason, cease to conduct business, or cease to support the Software, the State shall have the right to convert these licenses into perpetual licenses, with rights of quiet enjoyment, but subject to payment obligations not to exceed the then current rates.

2.325 PRE-EXISTING MATERIALS FOR CUSTOM SOFTWARE DELIVERABLES

Neither Contractor nor any of its Subcontractors shall incorporate any preexisting materials (including Standard Software) into Custom Software Deliverables or use any pre-existing materials to produce Custom Software Deliverables if such pre-existing materials will be needed by the State in order to use the Custom Software Deliverables unless (i) such pre-existing materials and their owners are identified to the State in writing and (ii) such pre-existing materials are either readily commercially available products for which Contractor or its Subcontractor, as the case may be, has obtained a license (in form and substance approved by the State) in the name of the State, or are materials that Contractor or its Subcontractor, as the case may be, has the right to license to the State and has licensed to the State on terms and conditions approved by the State prior to using such pre-existing materials to perform the Services.

2.330 Source Code Escrow

2.331 DEFINITION

“Source Code Escrow Package” shall mean:

- (a) A complete copy in machine-readable form of the source code and executable code of the Licensed Software, including any updates or new releases of the product;
- (b) A complete copy of any existing design documentation and user documentation, including any updates or revisions; and/or
- (c) Complete instructions for compiling and linking every part of the source code into executable code for purposes of enabling verification of the completeness of the source code as provided below. Such instructions shall include precise identification of all compilers, library packages, and linkers used to generate executable code.

2.332 DELIVERY OF SOURCE CODE INTO ESCROW

Contractor shall deliver a Source Code Escrow Package to the Escrow Agent, pursuant to the Escrow Contract, which shall be entered into on commercially reasonable terms subject to the provisions of this Contract within (30) thirty days of the execution of this Contract.

2.333 DELIVERY OF NEW SOURCE CODE INTO ESCROW

If at anytime during the term of this Contract, the Contractor provides a maintenance release or upgrade version of the Licensed Software, Contractor shall within ten (10) days deposit with the Escrow Agent, in accordance with the Escrow Contract, a Source Code Escrow Package for the maintenance release or upgrade version, and provide the State with notice of the delivery.

2.334 VERIFICATION

The State reserves the right at any time, but not more than once a year, either itself or through a third party Contractor, upon thirty (30) days written notice, to seek verification of the Source Code Escrow Package.

2.335 ESCROW FEES

The Contractor will pay all fees and expenses charged by the Escrow Agent.

2.336 RELEASE EVENTS

The Source Code Escrow Package may be released from escrow to the State, temporarily or permanently, upon the occurrence of one or more of the following:

- (a) The Contractor becomes insolvent, makes a general assignment for the benefit of creditors, files a voluntary petition of bankruptcy, suffers or permits the appointment of a receiver for its business or assets, becomes subject to any proceeding under bankruptcy or insolvency law, whether domestic or foreign;
- (b) The Contractor has wound up or liquidated its business voluntarily or otherwise and the State has reason to believe that such events will cause the Contractor to fail to meet its warranties and maintenance obligations in the foreseeable future;
- (c) The Contractor voluntarily or otherwise discontinues support of the provided products or fails to support the products in accordance with its maintenance obligations and warranties.

2.337 RELEASE EVENT PROCEDURES

If the State desires to obtain the Source Code Escrow Package from the Escrow Agent upon the occurrence of an Event in this **Section**, then:

- (a) The State shall comply with all procedures in the Escrow Contract;
- (b) The State shall maintain all materials and information comprising the Source Code Escrow Package in confidence in accordance with this Contract;
- (c) If the release is a temporary one, then the State shall promptly return all released materials to Contractor when the circumstances leading to the release are no longer in effect.

2.338 LICENSE

Upon release from the Escrow Agent pursuant to an event described in this **Section**, the Contractor automatically grants the State a non-exclusive, irrevocable license to use, reproduce, modify, maintain, support, update, have made, and create Derivative Works. Further, the State shall have the right to use the Source Code Escrow Package in order to maintain and support the Licensed Software so that it can be used by the State as set forth in this Contract.

2.339 DERIVATIVE WORKS

Any Derivative Works to the source code released from escrow that are made by or on behalf of the State shall be the sole property of the State. The State acknowledges that its ownership rights are limited solely to the Derivative Works and do not include any ownership rights in the underlying source code.

ATTACHMENT A – GENERAL REQUIREMENTS

ELECTRONIC MONITORING REQUIREMENTS WORKSHEET

Each row contains a requirement. The Contractor response is within each requirement. Failure to comply may result in the dismissal of the Contract.

Definitions

Mandatory - the requirement must be present, or an acceptable workaround must be present, in the proposed solution or the solution may not be considered by the SOM. A limited number of requirements are **Mandatory**.

Expected - the requirement should be present in the proposed solution, or an acceptable workaround must be present.

Optional - the SOM would like the requirement to be present in the proposed solution or provided through an alternative approach or future enhancement.

NOTE: The “Mandatory” and “Expected” requirements will become Contractual obligations for the company(s) whose response(s) is accepted and signs a Contract with the state. Those “Optional” requirements that are offered by the awarded Contractor(s) and accepted by the state, will also be included in the Contract(s) and made available to state and local users. In the event “Optional” items are purchased by the SOM or local users, these requirements will be incorporated into the project plan along with the “Mandatory” and “Expected” requirements for the purchase, and all ordered items/functions/services will be monitored for compliance as Contractual obligations in the same manner regardless of their initial designation in the RFP for evaluation purposes. If the Contractor cannot perform one or more of the current or future agreed upon requirements, the Contract proposal may be terminated.

Row instructions

Contractor is not to alter.

Column instructions

It shall be assumed by the State that a blank cell indicates the requirement is not available.

Column A - This column indicates a numeric sequence of each function. All of the requirement numbers do not appear in consecutive order. Multiple review phases resulted in requirements being added, deleted, or reorganized into different groupings.

Column B - This column describes the function(s) desired in the parts and maintenance program.

Column C - This column indicates if a particular requirement is Mandatory, Expected or Optional.

Column D - This column indicates whether the Contractor can comply with a particular requirement. The Contractor has indicated either “yes” or “no”.

Column E - This column indicates how a bidder will comply with a particular requirement. The Contractor has entered the appropriate Requirement Response (Req. Response), for each requirement with an A, B, C, D, or E as defined below.

- A. Currently provided within the standard service.
- B. Currently provided as an enhancement to standard service at no additional cost.
- C. Currently provided as an enhancement to standard service at an additional cost detailed in the cost proposal.
- D. Not currently provided but will be added at the additional cost detailed in the cost proposal.
- E. Service will not be provided.

Column F - This column is provided for the Contractor to provide any additional information related to the solution.

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1. Applies to the Alcohol technology solution, Curfew technology solution and Location technology solution					
1.1	Vendor must establish a toll-free hotline to provide twenty-four (24) hour per day, seven (7) day a week, and support for answering questions relative to the services provided under the Contract (e.g. installation, monitoring and software). The call center shall be staffed with employees that are experienced and have technical knowledge of the integrated hardware components	M	Yes	A	
1.2	Orientation Session: Vendor shall provide minimally one (1) onsite orientation session for DOC staff prior to initiating services under the Contractual agreement. The session goal would be to provide an overview of system operation and capabilities. The number of staff members would likely not exceed twenty (20) persons and would be held at a location within Michigan.	M	Yes	A	
1.3	The DOC reserves the right to require additional orientation session(s) should the scope of services change. Additional sessions would be held in Michigan, but at various locations throughout Michigan.	E	Yes	A	
1.4	Warranties: The vendor shall provide all manufacturers' warranties to the DOC and act as liaison for the manufacturer in reconciling problems with equipment performance and/or malfunction. The vendor must provide proof of internal customer support from the original equipment manufacturer.	M	Yes	A	All equipment proposed will be warranted against manufacturer defect for the life of the Contract. Please refer to the Appendix, Exhibit H on Pg. 175 for alcohol and GPS warranty information, as well as a letter of support from Omnilink Systems, the OEM of our GPS device.

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1.5	Specialization of Equipment: All alcohol equipment, curfew equipment and location equipment shall be specifically designed and may not be adaptations of readily and/or commercially available products and/or equipment designed for some other purpose. The Equipment (Alcohol equipment, curfew equipment and location equipment) shall not have any real or perceived open market value.	M	Yes	A	
1.6	Vendor software shall be compatible with "Auto-dial" software which allows call center staff to telephone offenders directly from the application without having to manually dial the offender telephone number.	O	Yes	B	AMS will work with the MDOC to provide this feature if needed.
1.7	Equipment Upgrades: Vendor shall provide any and all hardware and software upgrades to equipment as technology is improved at no additional cost to the SOM.	M	Yes	A	
1.8	Shipping of Equipment/Supplies: The vendor shall be responsible for the cost of shipping and delivery to and from the SOM of all equipment and supplies.	M	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1.9	<p>Service/Maintenance Agreement: All equipment provided under the terms of the Contract must be serviced and maintained by the vendor through the Contract period. Vendor must complete VRA ~ describing the proposed service and maintenance plan.</p>	M	Yes	A	<p>AMS ensures that all equipment used will be the current version and will be new or perform "like new" (if leased). All equipment will be continuously upgraded through the life of the Contract, with the DOC receiving the latest version at no additional cost.</p> <p>AMS performs all alcohol equipment maintenance, including recalibration, to ensure proper working order. Monthly reminders for recalibrations can be sent as needed. Our standard policy is to bring devices back once per year for re-calibration. This is done by issuing a "Scheduled Maintenance" RMA at the time the device is due.</p> <p>All service/maintenance that requires the alcohol monitoring devices proposed herein will be serviced by Alcohol Monitoring Systems, Inc.</p> <p>All service/maintenance that requires the GPS monitoring devices proposed herein will be serviced by Omnalink.</p>
1.10	<p>Contractor solution shall have the ability to assign equipment to an offender at no cost to the SOM. The Contractor shall not bill for monitoring until the equipment is activated</p>	O	Yes	A	
1.11	<p>The delivery service used shall track receipt of shipments and make such tracking information available via the Internet.</p>	O	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1.12	The device must operate through the range of temperatures that will be experienced in a typical client environment	E	Yes	A	
1.13	The strap and required fasteners must not be available to the general public either commercially or through any mail order outlet	M	Yes	A	
1.14	The integrated hardware components shall use standard or digital telephone lines, wireless, cellular, or similar means to communicate between the device and the server. The Contractor shall provide plans to interact with a completely digital telephone network.	M	Yes	A	
1.15	The integrated hardware components provided to the MDOC shall be of the latest technology available from the manufacturer of the equipment. All devices purchased shall be new equipment which has not been previously used	M	Yes	A	
1.16	The exchange of monitoring information (including enrollment data changes monitoring reports and terminations) between agencies and vendors monitoring facility shall occur via secure real-time access to vendors' web based system by officers using existing agency computers/internet access.	M	Yes	A	
1.17	The system must be capable of providing both demand and on-line automatic reports	M	Yes	A	
1.18	Demand Reports: should include, but are not limited to, offender history, background data, inventory tracking, schedules, etc.	M	Yes	A	
1.19	The DOC reserves the right to change reporting requirements and/or request additional custom reports during the period of service of this Contract.	M	Yes	A	
1.20	All wearable devices shall be at a minimum, shock, water and tamper-resistant	E	Yes	A	
1.21	The brand and type of Device shall have a documented history of its monitoring results being admissible in a court of law. A list of evidentiary level hearings that the proposed product has been upheld in should be	O	Yes	A	SCRAM CAM and GPS have been upheld in every state in which it has been challenged. Court hearing are listed in the Appendix,

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
	provided.				Exhibit C on Pg. 164.
1.22	The MDOC shall pay a daily monitoring fee only for devices which have been activated on offenders	M	Yes	A	
1.23	The system shall provide for easy web based administration of participants with multiple reporting functions.	E	Yes	A	
1.24	The system shall include inventory tracking and management features.	E	Yes	A	
1.25	Summary management reports regarding individual participants, dates of system use, agency wide equipment inventory status, and billing details provided upon request in an easy-to-read format.	E	Yes	A	
1.26	The SOM shall have the ability to request executable ad hoc reports which must be provided within 30 business days. Executable ad hoc reports means that once a report is created the SOM can run the report as often as needed with current data	E	Yes	B	
1.27	The vendor software shall have a homepage which shall open to a caseload overview. This homepage shall indicate the current status of all offenders being monitored at the time.	O	Yes	A	
1.28	The vendor must provide a pricing in the pricing table for monitoring units,	M	Yes	A	
1.29	The Contractor shall not change any device manufacturer without the prior written approval of the MDOC	M	Yes	A	
1.30	The bidder shall identify the system manufacturers and devices proposed. For the term of the Contract, the Contractor shall not be authorized to change the device without the prior written approval of the MDOC.	M	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1.31	The vendor must provide any and all consumables/supplies and tools related to the performance of any Contract awarded as a result of this RFP. The cost for these supplies must be included in the daily unit rate proposed by the vendor for the units regardless of whether the supplies apply to regular, mobile, breath-alcohol, GPS Tracking, Voice Verification or other equipment items that may be offered in response to this RFP	O	Yes	A	
1.32	Describe all consumable items necessary to properly operate the equipment.	M	Yes	A	<p>SCRAM CAM: battery, faceplate, locking clips [2 in a set], exhaust cap, straps, ,</p> <p>SCRAM Remote Breath: straws, case.</p> <p>GPS: strap, back plate, charger, locking pins (2 in a set), dustcover spare.</p>
1.33	Describe any tools needed for installation, maintenance, and de-installation of all monitoring equipment.	M	Yes	A	<p>SCRAM CAM: faceplate removal tool, Torx L-Key, shear cutter, Direct Connect Kit, magnet</p> <p>Removal requires the addition of the shear cutters and a flat custom tool which are only supplied by AMS; they are not commercially available.</p> <p>SCRAM Remote Breath: there are no tools involved for installation and de-installation. For maintenance, the MDOC can calibrate the devices on site with AMS provided calibration canisters or they can send them back to AMS for calibration.</p> <p>GPS: small flathead screwdriver (only used for removal of locking pin).</p>

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1.34	Device must be usable in conjunction with other electronic monitoring equipment.	E	Yes	A	
1.35	The Vendor shall provide an in-state account manager.	O	Yes	A	
1.36	Vendor shall provide capable staff to provide expert testimony on behalf of the SOM at the vendor's expense	M	Yes	A	
1.37	The SOM shall not provide workspace for the Vendor except in the event required for services under the Contract	M	Yes	A	
2. Transition Plan					
2.1	The Vendor shall convert the previous seven years of data from the current Vendor to ensure that historical data is retained and readily available to the SOM.	E	Yes	A	
2.2	The Vendor shall be responsible for replacement of all equipment (includes, but not limited to, previously worn, activated or not activated, regardless of physical location).	M	Yes	A	
2.3	The Vendor shall provide a written transition plan, including timeline, conversion of data approach/method and training.	M	Yes	A	A written transition plan has been included. Please refer to Exhibit D in the Appendix on Pg. 166.

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
2.4	<p>Installation, Troubleshooting and Removal of Equipment: At a minimum, the vendor must provide an employee(s) or a Subcontractor in Michigan, the cost of which will be included in the daily unit pricing for the various equipment types. Regardless of the work location, the vendor employee(s) or Subcontractor shall have received no less than one day (24 hours) of formal classroom and “hands-on” training comprised of:</p> <ul style="list-style-type: none"> • Installation and removal of electronic monitoring equipment; • Equipment troubleshooting and maintenance • Installation and offender enrollment • Mobile monitoring equipment operation, troubleshooting, and maintenance; • Instructing offenders in the operation of the electronic monitoring equipment • Informing offenders of what is required of them to comply with instructions and operation of the installed equipment • The vendor provision of employee(s) or Subcontractor(s) will be at DOC’s option • Installation/maintenance and removal of a wearable device on the offender during regular business hours • Installation/maintenance and removal of a monitor/receiver at the offender’s residence during regular business hours <p>Installation/maintenance must occur within one business day of being contacted by MDOC. Installation/maintenance could occur anywhere throughout the State</p>	O	No	E	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
2.5	<p>Installation, Troubleshooting and Removal of Equipment (continued): Providing the Department of Corrections immediate telephonic notification that an offender's electronic monitoring equipment has been installed and is functioning properly or has been removed and recovered. An original form (provided by the department) signed by the offender and the vendor local employee or Subcontractor shall be submitted within twenty four (24) hours.</p> <p>Providing troubleshooting and repairs for active receivers, wearable devices, breath/alcohol monitors, mobile monitoring units, and GPS equipment that are malfunctioning within one business day.</p> <p>Providing equipment orientation to offenders informing them on how the electronic monitoring equipment functions and an instruction booklet explaining what is required of them (the offender) to comply with the monitoring equipment restrictions</p>	O	No	E	

ATTACHMENT B - RESERVED

ATTACHMENT C - ALCOHOL MONITORING

ELECTRONIC MONITORING REQUIREMENTS

Each row contains a requirement. The Contractor response is within each requirement. Failure to comply may result in the dismissal of the Contract.

Definitions

Mandatory - the requirement must be present, or an acceptable workaround must be present, in the proposed solution or the solution may not be considered by the SOM. A limited number of requirements are **Mandatory**.

Expected - the requirement should be present in the proposed solution, or an acceptable workaround must be present.

Optional - the SOM would like the requirement to be present in the proposed solution or provided through an alternative approach or future enhancement.

NOTE: The “Mandatory” and “Expected” requirements will become Contractual obligations for the company(s) whose response(s) is accepted and signs a Contract with the state. Those “Optional” requirements that are offered by the awarded Contractor(s) and accepted by the state, will also be included in the Contract(s) and made available to state and local users. In the event “Optional” items are purchased by the SOM or local users, these requirements will be incorporated into the project plan along with the “Mandatory” and “Expected” requirements for the purchase, and all ordered items/functions/services will be monitored for compliance as Contractual obligations in the same manner regardless of their initial designation in the RFP for evaluation purposes. If the Contractor cannot perform one or more of the current or future agreed upon requirements, the Contract proposal may be terminated.

Row instructions

Contractor is not to alter.

Column instructions

It shall be assumed by the State that a blank cell indicates the requirement is not available.

Column A - This column indicates a numeric sequence of each function. All of the requirement numbers do not appear in consecutive order. Multiple review phases resulted in requirements being added, deleted, or reorganized into different groupings.

Column B - This column describes the function(s) desired in the parts and maintenance program.

Column C - This column indicates if a particular requirement is Mandatory, Expected or Optional.

Column D - This column indicates whether the Contractor can comply with a particular requirement. The Contractor has indicated either “yes” or “no”.

Column E - This column indicates how a bidder will comply with a particular requirement. The Contractor has entered the appropriate Requirement Response (Req. Response), for each requirement with an A, B, C, D, or E as defined below.

- F. Currently provided within the standard service.
- G. Currently provided as an enhancement to standard service at no additional cost.
- H. Currently provided as an enhancement to standard service at an additional cost detailed in the cost proposal.
- I. Not currently provided but will be added at the additional cost detailed in the cost proposal.
- J. Service will not be provided.

Column F - This column is provided for the Contractor to provide any additional information related to the solution.

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
5. Alcohol Equipment and Testing Requirements					
5.1	Device must provide Alcohol Monitoring (AM) that samples and measures for confirmable alcohol consumption on a 24/7 basis.	E	Yes	A	<p>SCRAM Continuous Alcohol Monitoring (CAM) samples perspiration from the participant every second, 24/7 into a controlled sample chamber on the device. Measurements of this perspiration are taken every 30 minutes on a 24/7 basis to determine confirmable alcohol consumption. Often used on more high risk offenders, SCRAM CAM provides 24/7 alcohol monitoring without any active participation on the part of the offender. SCRAM CAM also has the ability to provide RF Curfew Monitoring along with alcohol monitoring at no additional charge. Other Mobile/Remote Alcohol devices are usually set up for 2-6 tests per day, require active participation from the offender and are typically used for lower risk offenders or as a step down from more secure systems. More secure systems require more features and resources and are therefore have a higher cost.</p> <p>Although we are not proposing a standalone RF Curfew Monitoring device in Attachment B, we have reviewed the specs in Attachment B and the RF feature of SCRAM Continuous Alcohol Monitoring complies with all of the Mandatory and Expected requirements</p>
5.2	Device is lightweight, poses no health hazard and does not unduly restrict the activities of the participant at home or at	E	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
	work.				
5.3	Monitoring equipment must collect information about offender status changes specific to the technology upon the status change occurrence. Information must include, but is not limited to, status, date/time. Vendor shall explain in VRA how the proposed solution will meet this requirement.	M	Yes	A	<p>Once detected by SCRAMNET, all alcohol-related events are viewed and interpreted by a committee of AMS-certified analysts. This ensures that alert notifications are reliably confirmed as valid, so that no additional follow-up testing or examinations, such as a blood, breath, or urine in order to confirm drinking events. The system can distinguish between alcohol consumption and environmental or interfering alcohol-based products, such as lotion, cologne, and spilled alcohol.</p> <p>All confirmed alcohol violations are automatically date- and time-stamped, and sent to agency supervising authorities the following morning via the communications method and medium chosen by the agency. A Daily Action Plan (DAP) typically delivered via email every day, shows which offenders had specific violations.</p> <p>All equipment alerts (such as power loss or tampers), as well as curfew violations (if using the RF option), can be set for notification within 15 minutes of the violation. Notification can be made by email, text, or page. Otherwise, the officer will see these alerts the next time the offender's online event log is reviewed, or on the Daily Summary Report.</p>
5.4	Device must be able to test at a minimum of 30 minute intervals.	E	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
5.5	Ability for on-demand tests requested by MDOC personnel Vendor shall explain in VRA how the proposed solution will meet this requirement.	O	Yes	A	SCRAM CAM tests every 30 minutes. 24/7. However, an on-demand test can be performed by contacting the offender and having them place a magnet on the bracelet, which will initiate a test.
5.6	The device must require minimal participation by the offender during the collection of the sample for alcohol readings. Vendor shall explain in VRA how the proposed solution will meet this requirement.	E	Yes	A	<p>The SCRAM Continuous Alcohol Monitoring device takes an alcohol reading every 30 minutes, 24 hours a day. The process is entirely passive, and requires no action or responsibility on the part of the offender.</p> <p>SCRAM CAM tests for alcohol consumption through transdermal means, meaning that alcohol content is measured “through the skin.”</p> <p>Transdermal testing measures the concentration of ingested alcohol present in the insensible perspiration which is constantly produced and emitted by the skin. The CAM bracelet automatically collects transdermal samples of insensible perspiration from the air above the offender’s skin and transmits this data to a central source for analysis – requiring no effort on the part of the offender or the supervising agency.</p>

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
5.7	The Device shall monitor for ingested alcohol with a specific numerical measurement of alcohol use in the human body using court-validated testing technology. Please briefly describe how you calculate to confirm the presence of a quantifiable alcohol level. Vendor shall explain in VRA how the proposed solution will meet this requirement.	E	Yes	A	<p>SCRAM CAM measures the amount of alcohol that migrates through the skin, a predictable result of alcohol consumption, in order to determine a subject's Transdermal Alcohol Concentration (TAC). AMS analyzes 7 individual pieces of criteria, in order to determine if consumption has taken place; equations to determine absorption and elimination rates, sample contamination as well as characteristics to determine when a consumption event begins and ends. This process has been validated in numerous court hearings in Michigan and other courts throughout the country.</p>
5.8	The system must be able to distinguish between ingested alcohol and environmental exposure to alcohol. Vendor to describe the manner in which the system performs this function.	E	Yes	A	<p>SCRAM CAM can conclusively distinguish between ingested and environmental alcohol for the following reasons:</p> <p><u>Controlled, Quantifiable Sample Delivery System:</u> SCRAM CAM is the only CAM device on the market that uses a controlled, quantifiable sampling method that draws a measured sample every 30 minutes. This is the same proven sample delivery system used in evidential breath testing equipment that has been the standard in law enforcement for many decades.</p> <p>Other devices may claim to be "testing" more frequently; however, without a controlled, quantifiable sample, their</p>

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
					<p>devices are merely sensors and are more susceptible to environmental false alerts. These devices may also require secondary tests to validate their results.</p> <p><u>Industry-validated Dräger Fuel Cell:</u> The Dräger fuel is the heart of the SCRAM CAM bracelet, which has been proven through decades of research and experience and is accepted by the forensic community in alcohol testing applications. This is the same fuel cell used in evidential breath testing equipment and interlock devices. Dräger fuel cells have been independently validated (both directly and indirectly), and are extremely sensitive and ethanol-specific alcohol sensors.</p> <p><u>Thorough Data Analysis and Review Process:</u> All data received from the SCRAM CAM bracelet through SCRAMNET is subject to a rigorous data analysis and review process conducted by AMS' team of professionally-trained analysts. Their review process identifies the presence of environmental alcohol and looks at key characteristics of the Transdermal Alcohol Concentration (TAC) curve— which is similar to a BAC (Blood Alcohol Content) to ensure that only true drinking episodes are confirmed (such as alcohol absorption and elimination rates).</p>
5.9	The system must also provide security and tamper measures that prevent anyone other than the offender from completing the test.	E	Yes	A	The SCRAM CAM bracelet is equipped with industry-leading, anti-tamper

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
					technology that features five sensors to detect and report attempted tampers. These sensors determine whether the bracelet has been cut, removed, obstructed, or submerged. The bracelet's intelligent self-diagnostic capabilities constantly monitor and report its functionality. Any attempts to tamper with the bracelet or its functionality will be immediately detected by the SCRAM CAM system.
5.10	The device shall have ability to determine device proximity to the body of the offender being monitored, including detection of attempts to circumvent monitoring.	O	Yes	A	
5.11	The technology shall have single source admissibility, meaning the AM device does not require agency staff to issue a secondary testing methodology to verify consumption on an alcohol alert	M	Yes	A	
5.12	The Contractor shall have the ability to deliver up to 1,600 alcohol monitoring devices. If leased, at the Contractor's expense an additional 30% spare device ratio over the number of activated devices shall be provided to the MDOC at no cost.	M	Yes	A	
5.13	OEM (Original Equipment Manufacturer) of AM device must have three (3) years experience demonstrating the ability to provide Alcohol Monitoring equipment and monitoring services to the criminal justice marketplace.	E	Yes	A	
5.14	OEM (Original Equipment Manufacturer) of AM device must have demonstrated a history of outside research or published studies by an entity other than the manufacturer itself, highlighting the validity of the AM product or establishing general acceptance in the scientific community. (References of outside research studies published on the proposed solution should be provided). Per addendum: The actual monitoring device (not just a	O	Yes	A	AMS has been involved in a number of articles, 3 rd -party research, lab and field studies, and court documents that pertain to transdermal alcohol testing. Completed studies include: <ul style="list-style-type: none"> National Highway Traffic Safety Administration (NHTSA):

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
	<p>component) shall be able to stand alone as evidence in court without the need for a secondary verification of consumption.</p>				<p>“Evaluating Transdermal Alcohol Measuring Devices”</p> <ul style="list-style-type: none"> • University of Colorado Health Sciences: “Validity of Transdermal Alcohol Monitoring: Fixed and Self-regulated Dosing” • Traffic Injury Research Foundation (TIRF): Comprehensive overview of CAM and SCRAM • Other Studies: National Law Enforcement and Corrections, Technology Center, Acadiana Criminalistics Laboratory, Michigan Department of Corrections <p>AMS is also currently involved in a number of studies designed to provide case studies of successful SCRAM programs:</p> <ul style="list-style-type: none"> • NHTSA-Sponsored Study (Pacific Institute for Research and Evaluation); SCRAM Case Studies • NHTSA-Sponsored Study (Preusser Research Group); Evaluation of the SCRAM Device as a Tool in Monitoring Impaired-Driving Offenders and Its Potential Effect in Reducing Recidivism • National Institute on Alcohol Abuse and Alcoholism (NIAAA)-Sponsored Study (RAND Corporation, Drug Research Center); Effectiveness of the South Dakota 24/7 Sobriety Program • Nebraska Supreme Court Division of Probation (Univ. of NE, Omaha);

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
					<p>Continuous Alcohol Monitoring Evaluation</p> <ul style="list-style-type: none"> Portage County, Ohio (Kent State University); Analysis of the Effect of SCRAM on Probation Violations and Offender Recidivism <p>In addition, following are industry reports involving SCRAM technology:</p> <ul style="list-style-type: none"> Field and Laboratory Alcohol Detection With 2 Types of Transdermal Devices (2009) Alcoholism: Clinical and Experimental Research, Vol. 33, No. 4, April 2009 Get Involved: Hardcore Drunk Driving Prosecutorial Guide (2009) The Century Council NCSC Study (2009). The National Center for State Courts (NCSC) The South Dakota 24/7 Sobriety Project: A Summary Report (2009) South Dakota Attorney General Larry Long and Robert DuPont (President of the Institute for Behavior and Health)
6. System and Monitoring Requirements					
6.1	Collects, transfers and stores historical participant information 24 hour, 7 days per week, 365 days per year in an encrypted manner and retrievable upon request. Must be compatible with SOM technology as described in Attachment E SOM Technical Requirements.	E	Yes	A	
6.2	The device must be capable of storing at least 14 days of time stamped participant data with the ability to download the data to a server. Please describe the steps necessary to download the data.	E	Yes	A	SCRAM CAM has the capability of storing over 14 days of time stamped data. The maximum number of days is determined by how much data each

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
					reading or message generates. See 6.3 of this section for upload description.
6.3	Explain how the data is downloaded to the server and at what frequency.	M	Yes	A	SCRAM CAM uses three methods to upload data to the server, a SCRAM CAM base station with standard phone line, Direct Connect or a SCRAM wireless device with base station. At predetermined times assigned by the agent, one of the three methods are utilized to accept data from the bracelet that has been stored from the previous upload. That information is then sent via phone line, cellular signal or USB cable thru a computer to AMS servers for review. If offenders have a land line or cellular device data is uploaded daily, although the system has the capability to do up to 6 uploads per day. Offenders without landlines or cellular devices typically report to a probation/parole office once or twice a week and a Direct Connect device is used to transfer the data from the bracelet to the AMS server.
6.4	Vendor shall provide any required analysis no later than 1 business day of a notification to agency staff of alcohol readings, tamper alerts, communication failures, equipment issues, maintenance needs and/or malfunctions. Vendor shall explain in VRA how the proposed solution will meet this requirement. Per addendum, Bidders shall indicate which vendor staff will perform data analysis, including their qualifications for performing this task.	M	Yes	A	All SCRAM CAM alerts are reviewed by AMS certified data analysts with no need for officers to initiate or request confirmation results; thus, reducing officers/agency workloads. This means AMS provides single-source admissibility and does not require a secondary test to confirm a drinking event vs. environmental interferrants.

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
					All AMS monitoring center personnel must undergo at least 316 hours of operational training, as well as ongoing training and certification.
6.5	Any data analysis shall be performed by the Vendor.	M	Yes	A	
6.6	The system shall provide easy-to-read non-compliance reports which include detailed information that provide a numeric result which accurately indicates the alcohol level.	E	Yes	A	

ATTACHMENT D -- RESERVED

ATTACHMENT E - TECHNICAL REQUIREMENTS

ELECTRONIC MONITORING REQUIREMENTS WORKSHEET

Each row contains a requirement. The Contractor response is within each requirement. Failure to comply may result in the dismissal of the Contract.

Definitions

Mandatory - the requirement must be present, or an acceptable workaround must be present, in the proposed solution or the solution may not be considered by the SOM. A limited number of requirements are **Mandatory**.

Expected - the requirement should be present in the proposed solution, or an acceptable workaround must be present.

Optional - the SOM would like the requirement to be present in the proposed solution or provided through an alternative approach or future enhancement.

NOTE: The “Mandatory” and “Expected” requirements will become Contractual obligations for the company(s) whose response(s) is accepted and signs a Contract with the state. Those “Optional” requirements that are offered by the awarded Contractor(s) and accepted by the state, will also be included in the Contract(s) and made available to state and local users. In the event “Optional” items are purchased by the SOM or local users, these requirements will be incorporated into the project plan along with the “Mandatory” and “Expected” requirements for the purchase, and all ordered items/functions/services will be monitored for compliance as Contractual obligations in the same manner regardless of their initial designation in the RFP for evaluation purposes. If the Contractor cannot perform one or more of the current or future agreed upon requirements, the Contract proposal may be terminated.

Row instructions

Contractor is not to alter.

Column instructions

It shall be assumed by the State that a blank cell indicates the requirement is not available.

Column A - This column indicates a numeric sequence of each function. All of the requirement numbers do not appear in consecutive order. Multiple review phases resulted in requirements being added, deleted, or reorganized into different groupings.

Column B - This column describes the function(s) desired in the parts and maintenance program.

Column C - This column indicates if a particular requirement is Mandatory, Expected or Optional.

Column D - This column indicates whether the Contractor can comply with a particular requirement. The Contractor has indicated either “yes” or “no”.

Column E - This column indicates how a bidder will comply with a particular requirement. The Contractor has entered the appropriate Requirement Response (Req. Response), for each requirement with an A, B, C, D, or E as defined below.

- K. Currently provided within the standard service.
- L. Currently provided as an enhancement to standard service at no additional cost.
- M. Currently provided as an enhancement to standard service at an additional cost detailed in the cost proposal.
- N. Not currently provided but will be added at the additional cost detailed in the cost proposal.
- O. Service will not be provided.

Column F - This column is provided for the Contractor to provide any additional information related to the solution.

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1000. Equipment					
1000.1	The device shall function with a web based real-time hosting environment that allows 24/7/365 real-time access to offender data.	M	Yes	A	
1000.2	The Contractor shall provide a monitoring system located in a secure hosting environment to Receive, record and store data at a central location	M	Yes	A	
1000.3	All information related to offenders must be stored in a retrievable format and retained for a minimum of seven years	M	Yes	A	
1000.4	Integrated hardware components and devices shall have all required Federal Communications Commission (FCC) certification.	M	Yes	A	
1000.5	The Contractor's integrated hardware components shall be upgradeable and the MDOC shall receive from the Contractor all new revisions, as they become available, at no cost to the SOM.	M	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1000.6	<p>Vendor must work with SOM to provide deliverables for the MDOC EMC Middleware Solution. Deliverables include, but are not limited to:</p> <ul style="list-style-type: none"> • Web-based application/portal available to the EMC and probation/parole agents via the State of Michigan (SOM) Intranet to include alerts of potential violations and agent caseload information • Application Programming Interface (API) document that defines requirements for web services • Single Sign-on <p>Web services, include but are not limited to:</p> <ul style="list-style-type: none"> • Web service to allow vendors to send current alerts for display in the web portal • Web service to allow vendors to provide agent caseload information for display in the web portal • Web service to provide basic offender information from DOC offender management system to vendor application • Web service to save notes/comments from vendor applications into DOC offender management system • Web services to auto-update DOC offender management system with new registrations and deletions for each vendor application 	M	Yes	B	<p>AMS will dedicate resources to work exclusively with the SOM to provide all deliverables applicable to this solution. AMS complies with the deliverables as listed. While we do not anticipate any additional cost at this time, further details and deliverables not clarified here may result in additional cost. That being said, we see our strategic vision on offender management to be in line with where we understand MDOC to be headed. We would welcome the opportunity to collaborate with MDOC on creating the next generation of software for offender management. Please refer to the Appendix, Exhibit L, on Pg. 188 for additional details.</p>
1000.7	<p>The vendor application must process in/outbound signals while allowing multi-task (printing, database updates, etc.) and multi-user (making calls, answering calls, etc.) operation</p>	M	Yes	A	
1001. Client / Workstation					

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1001.2	The Application must function with the following web browser(s) in an INTRANET environment: • Microsoft IE 8.0	M	Yes	A	
1001.3	The Application must function with the following web browser(s) in an INTERNET environment: • Microsoft IE 6.0 or above • Firefox 3.0 and above • Chrome 3.0 and above Safari 4.x and above	E	Yes	A	
1001.4	The Application must function with the following desktop Operating System (OS): • Windows XP SP3 Windows 7	M	Yes	A	
1001.5	The Application's desktop client install must function on the following standard SOM desktop hardware: Link to SOM Desktop Standard: http://www.michigan.gov/dmb/0,1607,7-150-56355-108233--,00.html	M	Yes	A	
1001.6	Mobile applications must support mobile devices and their Operating System (OS)	O	Yes	A	
1002. Documentation and Standards					
1002.1	Provide a logical network diagram that describes how the infrastructure components will meet the functional requirements.	M	Yes	A	Please refer to the Appendix, Exhibit E, Pg. 151 for this diagram For disaster recovery, backups are created and stored either online at mirrored, remote data centers or at Iron Mountain. Both Disk-on-Line storage and remote tape storage are used by each appropriate system.
1002.2	Provide conceptual and logical data-flow diagrams.	M	Yes	A	Please refer to the Appendix, Exhibit F, Pg. 152 for this diagram

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1002.3	For SOM-hosted solutions, provide a complete installation and configuration documentation library.	M	Not Applicable	O	AMS is providing a vendor-hosted solution.
1002.4	Provide a high-level architecture diagram, including logical and physical components.	E			Please refer to the Appendix, Exhibit E on Pg. 151 for this diagram.
1002.5	For SOM-hosted solutions, provide system documentation must describe error logging and how to access the error logs.	M	Not Applicable	O	AMS is providing a vendor-hosted solution.
1002.6	System documentation must describe Disaster Recovery capabilities (including Hot and Cold standby options, licensing implications, and critical vs. non-critical functionality and data).	M	Yes	A	<p>For disaster recovery, backups are created and stored either online at mirrored, remote data centers or at Iron Mountain. Both Disk-on-Line storage and remote tape storage are used by each appropriate system.</p> <p>Our disaster recovery is based on a Hot active (not standby) model. Meaning, the database is being mirrored to our secondary data center. If the primary data center is lost, the mirrored data center becomes the primary data center. The other servers, web, and applications are active and sharing workload at both data centers with enough redundancy to absorb the full workload of either data center. In the case of both data centers being rendered inoperable, we have remote disk backups that can be restored to a new set of hardware (cold backup) to protect data should the worst</p>

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
					<p>case scenario occur.</p> <p>There are no licensing implications as this is part of our standard product offering. Critical versus non-critical functionality and data is determined by the resources needed to process the data. All SCRAMnet data is considered critical and is replicated to each data center.</p>
1002.7	System documentation must describe any batch processing requirements for the application.	E	Not Applicable	O	AMS is providing a vendor-hosted solution.
1002.8	System documentation must describe required application maintenance activities and time frames.	E	Yes	A	<p>The redundancy designed into the system allows for system maintenance (software updates, and infrastructure improvements) to be completed without any downtime in most cases. If a maintenance activity could impact system availability, then the maintenance is scheduled and coordinated with customer representatives. Coordinated maintenance is not performed more frequently than quarterly and is scheduled at least two weeks in advance.</p>
1002.9	Application/System documentation must provide FAQ and/or Support Information for frequent issues staff/users may encounter.	E	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1002.10	The Vendor must work with SOM to complete a DTMB Project Security Plan and Assessment (DTMB-0170) for the solution.	M	Yes	A	
<p>1003. Installation Per addendum, For requirements that are not applicable to the Bidder's solution, Bidders should enter a response of "O" in Column E and enter "Not Applicable" in Column D. Bidder may also indicate "vendor-hosted solution" in Column F if desired.</p> <p>For cloud-based software, the bidder should specify who the cloud provider is, where it is located, what type of security controls are implemented to protect data and any regulatory compliance (such as FISMA). Bidders should provide information regarding how their solution will provide redundancy, high-availability and disaster recovery capabilities.</p>					
1003.1	Provide a detailed work plan (in hours) and duration (in days) of a typical installation of the base package, including all modules. Include both SOM and vendor effort.	E	Not Applicable	O	The AMS network software is a vendor-hosted solution. It resides on Alcohol Monitoring Systems, Inc. hardware which is located in two Tier 1 SSAE 16 SOC 1 data centers. The data is protected both in a secure environment with multiple layers of security. Because specific details may present information that could be used to compromise the security, following is a general overview: AMS uses a 2048 bit VeriSign Certificate for our SSL connection to the web, and has a user ID and password (with a 25 character key) for each unique website. Our system is protected by UTM (Unified Threat Management) firewalls which are updated hourly. We are TRUSTe certified for EU Safe Harbor and Trusted Cloud for PII (Personally Identifiable Information), "confidentiality". AMS

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
					<p>systems: provide:</p> <p>1) Redundancy - We have two data centers that share workload and can operate independent in case of a failure).</p> <p>2) High availability - Each data center has multiple instances of the applications. Each data center hosts multiple instances of the web servers, application servers, and database servers, creating high availability,</p> <p>3) Disaster recovery - For disaster recovery, backups are created and stored either online at mirrored, remote data centers or at Iron Mountain. Both Disk-on-Line storage and remote tape storage are used by each appropriate system.</p>
1003.2	Provide a high-level project plan outlining activity descriptions, work effort, duration and resources for a typical base-package installation.	E	Not Applicable	O	
1003.3	Provide a description of the skill sets of all resources required for a typical install of the base package.	E	Not Applicable	O	
1003.4	Provide a list of functional issues encountered by other users during a typical implementation of your software.	E	Not Applicable	O	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1003.5	Provide a list of technical issues encountered by other users during a typical implementation of your software.	M	Yes	A	Proposed software is a web-based, vendor-hosted solution. Web security should be set so that it does not block the website. Ports 443 and 80 for the software application need to be open should there be a firewall or Proxy server used.
1003.6	The application must be remotely deployable and supportable using the following management tool(s): • Microsoft's SCCM (SMS)	E	Not Applicable	O	
1003.7	Provide a detailed list of any browser plug-ins (e.g., ActiveX, Java, Flash) required by the application.	M	Not Applicable	O	
1003.8	Provide a detailed list of client components (e.g. ODBC, JDBC, Java Beans, other) required by the application, including permission(s) levels.	M	Not Applicable	O	
1003.9	All agents and bots used for monitoring or maintenance of servers and software must be listed including function, install location, permission level, and resource usage.	M	Not Applicable	O	
1003.10	Provide a detailed list of any third-party tools required by the application and how they will be supported over the System Development Life Cycle (SDLC).	M	Not Applicable	O	
1005. Reporting					
1005.1	The reporting product technology must be compatible with n-Tier architecture (client-server & web).	E	Yes	A	
1005.2	The reporting product technology must be compatible with the following Server Operating Systems: • (see requirement 1010.2)	E	Yes	A	
1005.3	If the solution will be hosted by SOM, the reporting tool/system must be certified for use with the VMWare x86 based virtualization platform.	E	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1005.4	The reporting product technology must be compatible with desktop virtualization.	E	Yes	A	Proposed software is web-based.
1005.5	The reporting product technology must not require any installed component on the user desktop.	E	Yes	A	
1005.6	The reporting product technology must not require any installed component in the user browser other than the following: Adobe Acrobat Reader	E	Yes	A	
1005.10	The reporting product technology must support ad-hoc reporting via custom-built queries.	E	Yes	B	AMS will develop and deliver reports on an agreed-upon basis.
1005.11	The MDOC must be able to access all of its data via the reporting product for the purpose of running ad hoc reports and queries without vendor assistance.	E	Yes	B	
1006. Application Security					
1006.2	The solution must have built-in security controls and meet or exceed current SOM security requirements as described in the State Administrative Guide. http://www.michigan.gov/documents/dm_b/1340_193162_7.pdf	M	Yes	A	
1006.3	Application access must be loggable and have a viewable audit trail(s).	M	Yes	A	
1006.4	Changes to user permissions must be loggable and have a viewable audit trail(s).	M	Yes	A	
1006.5	Access to audit trail logs must be able to be restricted to approved administrators.	M	Yes	A	
1006.6	Application access and changes to application access must log the following information: • Date/time • Nature of operation • Name of changed item • Name of who made the change • Before and after value of the changed item	E	Yes	A	Information can be provided upon request.

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1006.7	<p>The following application change event(s) must be logged:</p> <ul style="list-style-type: none"> • Changes to individual permission level • Changes to role membership • Changes to role permissions • Changes to access to application functions 	E	Yes	B	
1006.8	<p>The System Administrator must be able to control access to audit trail logs.</p>	E	Yes	A	
1006.9	<p>Access to program libraries (e.g. base code) must be restricted and controlled.</p>	E	Yes	A	
1006.10	<p>Passwords and User ID's must be able to:</p> <ul style="list-style-type: none"> • Protect sensitive data • Restrict access to only those intended • Meet State/Agency Security Standards • Be encryptable 	M	Yes	B	
1006.11	<p>User authentication methods, based on risk and severity level, may include:</p> <ul style="list-style-type: none"> • User ID and Passwords • Biometrics • Directories • Smart cards • Single sign-on solutions • Tokens • PKI and Certificates • Voice recognition • Shared secrets • Access control lists and files • Unique business process 	E	Yes	A	
1006.12	<p>Session State must be stored and maintained in an encrypted manner.</p>	E	Yes	A	
1006.13	<p>Session State must be stored and maintained in one or more of the following manners:</p> <ul style="list-style-type: none"> • Cookie • URL String • Database <p>Describe if other method is used</p>	E	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1006.14	For SOM-hosted solutions, the software solution must be accessible (and administrable) through the following Virtual Private Network (VPN) : • Vendor Network or • UTNet	E	Not Applicable	O	AMS is proposing vendor-hosted software.
1006.15	A solution must comply with any of the following applicable application and data processing standards: HIPAA/Sarbanes-Oxley/PCI-DSS.	M	Yes	A	Per addendum, disregard HIPAA compliance.
1006.15.1	The system shall be fully compliant with HIPAA regulations, standards, requirements, guidelines and grants, as well as comply with all Federal and State government, laws, regulations, requirements, guidelines and grants.	M	Yes	A	Per addendum, disregard HIPAA compliance.
1006.16	Application and database communication must use one of the following port(s) and protocol(s): • Internet Assigned Number Authority (IANA) registered ports • Oracle • Microsoft SQL Server • MySQL • Teradata • 80 / 443	E	Yes	A	
1006.17	Client application must support encryption of data both at rest and in motion, in accordance with the data classification.	M	Yes	A	
1006.18	Applications and systems must adhere to SOM Policy 1350.10 regarding Access to Networks, Systems, Computers, Databases, and Applications: http://www.michigan.gov/documents/dmb/1350.10_184594_7.pdf	M	Not Applicable	O	AMS is proposing vendor-hosted solution.
1006.19	Applications and systems must adhere to SOM Policy 1350.20 regarding Access to Protected Data Resources: http://www.michigan.gov/documents/dmb/1350.20_184600_7.pdf	M	Not Applicable	O	AMS is proposing vendor-hosted solution.

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1006.20	End-user software applications, or components thereof, must not require privileged, super-user or administrator mode in order to function properly.	M	Yes	A	
1006.21	A security assessment of the purchased application, and its components, must be provided that has been verified by an independent third party.	O	Yes	A	
1007. Identity Management					
1007.2	The application must support one or more of the following authentication requirement: <ul style="list-style-type: none"> • LDAP v3 • Tivoli Single Sign On • Active Directory • Two factor authentication • User ID and Passwords • Biometrics • Directories • Smart cards • Single sign-on solutions • Tokens • PKI and Certificates • Voice recognition • Shared secrets • Access control lists and files • Unique business process 	M	Yes	A	
1007.3	Application authentication and authorization must be by individual user. User account information must be stored securely in a database. Users may belong to groups and roles.	M	Yes	A	
1007.4	The application must enforce the following rules on individual passwords for allowable characters, length and expiration period: <ul style="list-style-type: none"> • Standard Windows characters allowed • Minimum of 8 characters in length • Expires every 90 days • Cannot reuse password for 1 year 	M	Yes	B	
1007.5	The application must lock out users after three invalid login attempts due to bad passwords.	M	Yes	B	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1007.6	The application must provide the system administrators with the capabilities to define different roles with different privileges.	M	Yes	A	
1007.7	The application must provide the system administrators with the capabilities to create groups whose members can be either role-based or individual login account names.	E	Yes	A	
1008. Network Security					
1008.2	Network communication must use the following port(s) and protocol(s): • ADO.NET • 443 using TCP • Internet Assigned Number Authority (IANA) registered ports	E	Yes	A	
1008.3	Client applications must adhere to SOM Policy 1340.00 regarding "Information Security": http://www.michigan.gov/documents/dmb/1340_193162_7.pdf	M	Yes	A	
1008.4	Applications and systems must adhere to SOM Policy 1350.10 regarding "Access to Networks, Systems, Computers, Databases, and Applications": http://www.michigan.gov/documents/dmb/1350.10_184594_7.pdf	M	Yes	A	
1008.5	Web interface or browser technology must use TCP/IP protocol through Ports 80 or 443.	E	Yes	A	
1008.6	Applications and systems must conform with SOM Policy 1345.00 regarding "Network and Infrastructure": http://www.michigan.gov/documents/dmb/1345.00_282982_7.pdf	M	Not Applicable	O	AMS is proposing vendor-hosted solution.
1008.7	Application communication between users and system components over the network must be loggable and the log file accessible to the system administrator.	E	Yes	A	
1008.8	Applications and systems must adhere to SOM Policy 1350.20 regarding "Access to Protected Data Resources": http://www.michigan.gov/documents/dmb/1350.20_184600_7.pdf	M	Yes	A	
9. Server Security					

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1009.2	Application servers must be hardened prior to placing in production.	M	Yes	A	
1009.4	Servers must have the most recent security patches applied to them and be configured in least privileged mode prior to placing in production in a non-secure environment.	M	Yes	A	
1009.5	All server-based agents, bots and monitoring components must be listed along with a description of their function, required permission level and resource usage.	E	Not Applicable	O	AMS is proposing vendor-hosted software.
1009.6	At a minimum, applications and systems must adhere to SOM Policy 1350.10 regarding "Access to Networks, Systems, Computers, Databases, and Applications": http://www.michigan.gov/documents/dmb/1350.10_184594_7.pdf	M	Yes	A	
1009.7	At a minimum, applications and systems must adhere to SOM Policy 1350.20 regarding "Access to Protected Data Resources": http://www.michigan.gov/documents/dmb/1350.20_184600_7.pdf	M	Yes	A	
1010. Application Server (applies to SOM-hosted solutions)					
1010.2	Application server must support one or more of the following Server Operating Systems (OS): • Linux Redhat Enterprise Server 5.x (standard) • Linux Suse Enterprise 10.x (standard) • Microsoft Windows 2008 (standard) • Unix HP/UX 11i v3 (standard) • Unix Sun Solaris 10.x (standard) • VMWare vSphere 4 (standard)	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1010.5	The application tier must be certified for use with the VMWare x86 based virtualization platform.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1010.6	Systems running on the application server must support horizontal scaling.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1010.7	Systems running on the application server must support vertical scaling.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1010.10	The application must be capable of sharing the application server with multiple applications.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1010.11	The software running on the application tier must be coded in the following DTMB supported language: <ul style="list-style-type: none"> • ASP.Net (standard) • C# (standard) • Java (standard) • JavaScript (standard) • JDK 6.x (standard) • PHP 5.x (standard) 	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1011. Database Server					
1011.1	For SOM-hosted solutions, the database application must be compatible with the following server operating systems: <ul style="list-style-type: none"> • (see requirement 1010.2) 	M	Not Applicable	O	AMS is proposing vendor-hosted solution.
1011.2	For SOM-hosted solutions, the database tier must be certified for use with the VMWare x86 based virtualization platform.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1011.3	For SOM-hosted solutions, the application must use the following database management systems (DBMS) and version: <ul style="list-style-type: none"> • MSSQL Server 2008 (standard) • MySQL 5.0 & 5.1 (standard) • Oracle 11g (standard) • TeraData A28V2R6.2 (standard) 	M	Not Applicable	O	AMS is proposing vendor-hosted solution.
1011.4	For SOM-hosted solutions, the database server must support horizontal scaling by partitioning of tables and clustering of server instances.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1011.5	For SOM-hosted solutions, the database server must support log shipping to a separate log server.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1011.6	For SOM-hosted solutions, the database server must support replication and mirroring across multiple servers.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1011.7	The database server must support rapid recovery of databases, tables, etc.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1011.8	For SOM-hosted solutions, the database server must support vertical scaling by the addition of additional CPU's, CPU Cores, and RAM memory.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1011.11	The database server must support parallel indexing operations.	E	Yes	A	
1011.12	The database server must support manual tuning and configuration.	E	Yes	A	
1011.13	The database server must support automatic tuning and configuration.	E	Yes	A	
1011.16	The database must support transactions and support transaction rollback.	E	Yes	A	
1011.17	The database must support encryption at the database table/column level.	M	Yes	A	
1011.18	The database must restrict access to data through the use of views, queries, roles and groups.	M	Yes	A	
1011.19	The database must provide data archival functionality.	E	Yes	A	
1011.20	The database must support assured record destruction by secure and permanent record deletion.	E	Yes	A	
1011.26	The database transaction strategies must be configurable, allowing growth, shrinkage and backup-recovery.	E	Yes	A	
1011.27	For SOM-hosted solutions, the database must not require components that are not part of the default database licensing model for supporting any functionality.	E	Not applicable	O	AMS is proposing vendor-hosted solution.
1011.28	The database must allow full text indexing and search.	E	Yes	A	
1011.29	The database must provide support for spatial data.	E	Yes	A	
1011.32	The database server must support auditing and logging for DML events (insert, update, delete).	M	Yes	A	
1011.33	The database server must support auditing and logging for DCL events (grant, revoke, deny).	M	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1011.35	The database must not require users to have elevated database privileges/accounts for normal operation.	M	Yes	A	
1012. Web Server					
1012.1	For SOM-hosted solutions, the Web server must support the following Operating Systems (OS): • (see requirement 1010.2)	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1012.4	For SOM-hosted solutions, the web server for this application must be compatible with a SOM-approved technology: • MS IIS 2003, 2008 (standard) • Apache 2.2.x (standard) • IBM IHS 6.1, 7.0 (standard) • IBM Websphere 6.1, 7.0 (standard) • Jboss 5.x (standard)	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1012.5	For SOM-hosted solutions, the application must be capable of sharing a web server with multiple applications.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1012.6	For SOM-hosted solutions, the Web Server must support horizontal scaling.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1012.7	For SOM-hosted solutions, the Web Server must support vertical scaling.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1012.8	For SOM-hosted solutions, the application tier must be certified for use with the VMWare x86 based virtualization platform.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1012.9	The application should support clustering and/or load balancing across several servers.	E	Yes	A	
1013. Solution Architecture					

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1013.1	The application's minimum technology requirements, including Operating System (OS) versions, vendor versions, and release level of each product, must be provided.	M	Yes	A	<p>Windows XP, Vista, 7, or 8.</p> <p>USB port 1.1, 2.0 or 3.0.</p> <p>Supported Web Browser:</p> <ul style="list-style-type: none"> • Internet Explorer 8, 9, or 10 (versions released within the last 3 years) • Mozilla Firefox 20 (latest version) • Google Chrome 26 (latest Version)
1013.2	<p>A detailed network/server diagram must be provided illustrating the relative architecture of the proposed system. It should include:</p> <ul style="list-style-type: none"> • Network security zones and firewalls • Server types and network components (e.g., switches) • Ports and protocols used to cross security zones • How users will access the system • Clustering of servers <p>Per addendum, please submit a high-level diagram indicating how MDOC data will be stored and transported and how high availability/failover will be provided. Contractor-hosted solutions should provide additional details for data communication within the SOM network (e.g. web applications transfer data over TCP/port 443).</p>	M			Please see the Appendix, Exhibit G on Pg. 153 for this diagram.

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1013.3	For SOM-hosted solutions, the solution/application must utilize the features and capabilities of the SOM enterprise data storage services for the following data storage needs: • Storage Area Network (SAN) • Network Attached Storage (NAS) • Content Addressable Storage (CAS)	M	Not Applicable	A	
1013.4	The solution/application must support installation and operation in one or more disparate hosting centers. Fail-over from one hosting center to another must be possible without exceeding parameters specified in the Service Level Agreement (SLA).	M	Yes	A	
1013.5	A Service Level Agreement (SLA) must be in effect for the solution/system specifying, at a minimum, the following: • Criticality Level (Critical) • Recovery Point Objective (2 hours) • Recovery Time Objective (2 hours)	M	Yes	A	
1013.6	The solution/application must support distributed deployment of application components and database tier components (n-Tier architecture).	E	Yes	A	
1013.7	The solution/application must have an approved Enterprise Architecture (EA) Solution Assessment, prior to production.	M	Yes	A	
1013.8	Provide a technology roadmap for the proposed system showing a five (5) year plan for migrating to new software versions and when to de-implement dated versions as they reach end of life. Per addendum, vendors should indicate whether a 5-year technology roadmap can be provided. The SOM may request that the roadmap be provided prior to award.	E	Yes	A	A five-year roadmap can be provided. Because of the confidential nature of this information, it will be discussed with the SOM if requested.
1013.9	Provide conceptual and logical application data-flow models.	E	Yes	A	Please refer to the Appendix, Exhibit F on Pg. 152 for this diagram.
1013.10	Provide a logical network diagram that describes how the infrastructure components will meet the functional	M	Yes	A	The AMS network software is a vendor-hosted solution. The

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
	requirements.				<p>data is protected both in a secure environment with multiple layers of security. Because specific details may present information that could be used to compromise the security, following is a general overview: AMS uses a 2048 bit VeriSign Certificate for our SSL connection to the web, and has a user ID and password (with a 25 character key) for each unique website. Our system is protected by UTM (Unified Threat Management) firewalls which are updated hourly. We are TRUSTe certified for EU Safe Harbor and Trusted Cloud for PII (Personally Identifiable Information), "confidentiality". AMS systems: provide:</p> <p>1) Redundancy - We have two data centers that share workload and can operate independent in case of a failure).</p> <p>2) High availability - Each data center has multiple instances of the applications. Each data center hosts multiple instances of the web servers, application servers, and database servers, creating high availability,</p> <p>3) Disaster recovery - Our particular type of high availability also creates a disaster</p>

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
					<p>recoverable position that is able to recover in minutes/hours, instead of days/weeks. Each data center is a mirror of the other data centers. AMS has separate data centers, so that recovery from a disaster much easier versus having to do bare metal restores - which requires a rebuild of a data center from emergency agreements with a disaster recovery vendor service.</p> <p>Please refer to Appendix, Exhibit E on Pg. 151 for a network diagram.</p>
1013.1 1	<p>Provide a technology roadmap for the proposed system showing a five (5) year plan for new software version releases, support window, and sun setting.</p> <p>Per addendum, vendors should indicate whether a 5-year technology roadmap can be provided. The SOM may request that the roadmap be provided prior to award.</p>	E	Yes	A	<p>A five-year roadmap can be provided. Because of the confidential nature of this information, it will be discussed with the SOM if requested</p>
1013.1 2	<p>Provide a high-level architecture diagram, including logical and physical components.</p>	M	Yes	A	<p>Please refer to the Appendix, Exhibit E on Pg. 151 for this diagram.</p>
1013.1 3	<p>Systems operating on an application server must interoperate with CA Unicenter monitoring agents.</p>	M	Not Applicable	O	<p>AMS is proposing vendor-hosted solution.</p>
1013.1 4	<p>For SOM-hosted solutions, systems operating on an application server must interoperate with Veritas Backup and Recovery agents.</p>	M	Not Applicable	O	<p>AMS is proposing vendor-hosted solution.</p>
1013.1 5	<p>MDOC data must be stored on a dedicated server within each hosting center.</p>	M	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1013.16	For non-SOM hosted solutions, the hosting system must perform full volume back-ups on a weekly basis and <i>incremental back-ups each evening</i> . The system must perform on-request back-ups as needed by the SOM. The system must be able to restore from back-ups that allow the recovery of the current state of the application as well as the database. Backups must be kept for 30 days.	M	Yes	A	
1013.17	<p>The hosting vendor must develop, maintain, and execute off-site media storage procedures for archival and recovery purposes, utilizing an authorized off-site third-party Contractor(s), for all back-up media, including:</p> <ul style="list-style-type: none"> • Log and track media both on and off-site • Perform required rotation of media • Pay all fees and costs associated with off-site media storage 	M	Yes	A	<p>Data is replicated to our mirror site to mirrored standby servers. Database backups are done weekly. This backup is then replicated to an offsite disk storage which is kept online at multiple sites. Each weekly backup is a “forever”/permanent backup. No data is allowed to be deleted or removed from the backup volumes; therefore, each backup is a full comprehensive backup of all data.</p> <p>We do not use tapes, as our experience is that they are slow to restore, unreliable after 36 months of storage, and/or 50 times of being used. They are unpredictable for restoration after they are created unless they are immediately restored from tape to verify the validity of the backup.</p>
1013.18	The Contractor must provide redundancy in all critical system components such as network	M	Yes	A	We have multiple layers of redundancy within a site and across our two

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
	devices, network communication paths, processors, data storage, application files etc. The hosting Vendor must design and document network redundancy to handle a failure situation at the active site. There must be no single point of failure.				data centers. The data centers have SSAE 16 SOC 1 ratings.
1013.19	The system shall have the ability to handle "surge capacity" in times of emergency and crisis, without the shutdown of the system and/or limitation on the number of users. The system shall have a means of "journaling" to insure that data is not lost from the time of the last backup to the time the system failure occurred	M	Yes	A	
1013.20	The hosting vendor must provide documentation related to proposed technology design changes; that will be reviewed and approved by the DTMB Project Manager, or other appropriate SOM staff prior to implementation.	M	Yes	A	
1013.21	The hosting vendor must maintain and provide copies of a recommended Disaster Recovery Plan to the DTMB Project Manager within 15 days of the issuance of this Contract. This plan is to be followed when the system becomes unusable.	M	Yes	A	
1013.22	After the acceptance of the initial Disaster Recovery Plan by the SOM, the hosting vendor must review and update the Disaster Recovery Plan at a timeframe designated by the DTMB Project manager. The DTMB Project manager will approve the initial plan and each subsequent update.	M	Yes	A	
1013.23	At a minimum, the hosting vendor must conduct an annual Disaster Recovery Test that will adequately demonstrate the Contractor's ability to recover the application and data, transfer of operations to a recovery site and communicate with the SOM's IT staff.	M	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
	The vendor and SOM staff will be actively involved in executing the disaster recovery test.				
1013.24	If an outage outside of normal maintenance window is expected, the DTMB PM contact must be notified two weeks in advance once the vendor is aware of the requirement.	E	Yes	A	
1013.25	If an unexpected outage occurs, the DTMB PM contact must be notified immediately after the outage has occurred.	M	Yes	A	
1013.26	The system shall be capable of performing Data Integrity tests as part of normal maintenance and after restoration of data files.	E	Yes	A	
1014. Solution Integration					
1014.1	System integration must support the following method(s): • API • Web Services • SOAP • ODBC • JDBC • Plug-Ins	E	Yes	A	
1014.3	An Application Programming Interface (API) must be supplied and supported for the following technologies: • .NET (standard)	E	Yes	A	
1014.5	Provide a method to import data from the following proprietary sources: • MDOC Offender Management software (via MDOC EMC Middleware solution)	M	Yes	A	
1014.6	Connectivity to the following relational database(s) must be provided and supported: • (see section 1011.5)	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1014.7	The solution must be able to import and export data to and from the following external source(s): • Microsoft Office 2003, 2010 and 365 • MDOC Middleware solution	E	Yes	B	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1014.8	The ability to export data in the following output formats must be available: • HTML • XML • Text file • .CSV File	E	Yes	A	
1015. System Administration and Licensing					
1015.1	Software licensing must be inclusive for all packages included in the solution, unless explicitly listed and detailed.	E	Not Applicable	O	AMS is proposing vendor-hosted solution. The SOM will not have to perform any system administration duties.
1015.2	Application/System documentation must provide access to FAQ and/or Support Information for frequent issues administrative staff may encounter.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1015.3	Documentation must indicate recommended staffing requirements to administer and support the system.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1015.4	For SOM-hosted solutions, documentation must provide backup/recovery information using the SOM Veritas solution, including information on hot/online backups.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1015.5	A system maintenance window must be designed into the application which will allow the system to be taken off-line for updates, upgrades and maintenance.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1015.6	Documentation must describe how the system will be taken off-line for maintenance, updates and upgrades.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1015.6	Documentation must describe the level of effort and anticipated downtime for product upgrade installation.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1015.7	Documentation must provide the anticipated frequency and requirements of patches (releases, break-fix, 0-day), minor, and major releases.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1015.8	Documentation must provide information on certification/compatibility with OS patches, Service Pack, and upgrade paths.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1015.9	Documentation must address upgrade paths and procedures for each component/tier.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1015.10	For SOM-hosted solutions, provide a complete configuration and set-up documentation library.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1015.11	System documentation must clearly describe any special requirements (such as middleware, Operating System (OS), hardware, etc.) that could affect the capabilities or performance of the system.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1015.12	System documentation must clearly describe all critical factors in sizing or configuring the application (e.g., number of concurrent users, specific transaction volumes, number of products, number of layers in the product hierarchy, etc.).	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1015.13	The Contractor shall provide the date of the next major release. All costs to configure and deploy a major release are at the Contractor's expense	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1015.14	All upgrades, releases, and fixes shall be fully tested at the Contractor site with a comparable system to the current MDOC environment at the Contractor's expense	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1015.15	All scheduled releases shall be made available to the MDOC within three months of the actual release date	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1016. System Performance					
1016.1	The application must provide performance-optimization capabilities.	E	Yes	A	
1016.3	The application must maintain optimum performance over both Wide Area Network (WAN) and Local Area Network (LAN).	E	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1016.4	The application must maintain optimum performance over Local Area Network (LAN).	E	Yes	A	
1016.5	System documentation must clearly describe all versions of the package that are deployed for different scaling situations.	E	Yes	A	
1016.6	System documentation must clearly describe any special requirements (such as middleware, Operating System (OS), hardware, etc.) that could affect the capabilities or performance of the system.	E	Yes	A	
1016.7	SOM-hosted applications must integrate with the CA Unicenter for capacity and performance monitoring.	M	Not Applicable	O	AMS is proposing vendor-hosted solution.
1016.8	System documentation must clearly describe what support will be provided to the State for performance optimization activities.	E	Yes	A	
1016.9	System documentation must clearly describe the type of caching, if any, the system employs.	E	Yes	A	
1016.11	System documentation must clearly describe all activities that affect optimum performance such as service recycling, rebooting, or batch jobs and their frequency.	E	Yes	A	
1016.12	The system must meet performance benchmark times for: • Page refresh in under three seconds • Database query execution in under two seconds	E	Yes	A	
1017. Application Configuration Management – (PCI-DSS)					
1017.1	All known security vulnerabilities must be addressed in accordance with industry-accepted system hardening standards. Industry-accepted standards include: • SysAdmin Audit Network Security (SANS) • National Institute of Standards Technology (NIST) • Center for Internet Security (CIS)	M	Yes	A	
1017.2	Only one primary function can be implemented per server (i.e. web, database, domain, etc.).	E	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1017.3	All unnecessary and unsecure services and protocols (those not directly needed to perform the device's specified function) are disabled.	M	Yes	A	
1017.4	System security parameters must be configured to prevent misuse (see 17.1 for guidance).	M	Yes	A	
1017.5	All unnecessary functionality is removed, such as: • Scripts • Drivers • Features • Subsystems • File Systems • Unnecessary Web Servers	E	Yes	A	
19. Application Password Management - (PCI-DSS)					
1019.1	Only SOM approved personnel may add, delete, or modify user IDs, credentials, and other identifier objects on systems	E	Yes	A	
1019.2	A user's identity must be verified before performing a password reset.	M	Yes	A	
1019.3	First-time passwords must be set to a unique value for each user and each user change this initial password immediately upon first use.	M	Yes	B	
1019.4	Access rights for any terminated user must be immediately revoked.	M			
1019.5	Inactive user accounts must be removed or disabled at least every 90 days.	M	Yes	B	
1019.6	All accounts used by vendors for remote maintenance must be enabled only during the time period needed and remain disabled otherwise.	M	Not Applicable	O	AMS is proposing vendor-hosted solution.
1019.7	Password procedures and policies must be communicated to all users who have access to cardholder data.	M			Per addendum, disregard this requirement.
1019.8	Group, shared, or generic accounts and passwords are prohibited.	M	Yes	A	
1019.9	User passwords must be changed at least every 90 days.	M	Yes	A	
1019.10	All passwords must have a minimum password length of at least eight (8) characters.	M	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1019.1 1	At a minimum, all passwords must contain a mix of both numeric (0-9) and alphabetic (a-z, A-Z) characters. Optional non-alphanumeric characters (e.g. !\$#%) should be allowed.	M	Yes	A	
1019.1 2	A new individual password for a specific user account must be different from any of the last four passwords for that user account.	M	Yes	A	
1019.1 3	Repeated access attempts must be limited by locking out the user after three (3) consecutive unsuccessful attempts.	M	Yes	A	
1019.1 4	Upon lockout, the user must remain locked out until administrator re-enables the user ID.	M	Yes	A	
1019.1 5	A user must re-enter his or her password to re-activate the session after more than 15 minutes of idle time.	M	Yes	A	
1019.1 7	A password cannot at any time be the same as a user ID.	M	Yes	A	
1020. COTS Software					
1020.1	Commercial Off The Shelf (COTS) third-party libraries included within the application must be owned and supportable by the State. Inclusion of any third-party code library or tool must be approved by the SOM Contract Manager or Project Manager.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1020.3	COTS software must have maintenance and support available from the developer, vendor or an approved 3 rd party.	E	Not Applicable	O	AMS is proposing vendor-hosted solution.
1020.4	COTS software providers must make available for inspection the End User License Agreement (EULA) prior to purchase or Contract signing.	M	Yes	A	
1020.5	End User License Agreements (EULA) must be approved by DTMB Purchasing and DTMB Enterprise Project Management Office prior to purchase or Contract signing.	M	Yes	A	

A	B	C	D	E	F
Req. No.	Requirement	Mandatory (M) Expected (E) Optional (O)	Bidder Response (Yes / No)	Bidder Response (A, B, C, D, E)	Bidder Comments
1020.6	COTS software not already listed on the Enterprise Architecture Roadmaps must have an approved EA Solution Assessment completed prior to use or implementation.	M	Yes	A	
1021. Information Technology Network and Infrastructure					
1021.1	The information technology network and infrastructure must conform with SOM Policy 1345.00 regarding "Network and Infrastructure": http://www.michigan.gov/documents/dmb/1345.00_282982_7.pdf	M	Yes	A	
1021.2	The solution must contain values for projected capacity and special needs requirements covering all aspects of data transport & security across the information technology network and infrastructure.	M	Yes	A	
1021.3	The solution must address projected capacity requirements for all aspects of the information technology network and infrastructure.	M	Yes	A	
1021.4	The solution must conform with the SOM "DTMB State-wide Telecommunication Infrastructure Facility Standard": Telecom Infrastructure Facility Standard	M	Yes	A	
1021.5	The solution must conform with the SOM DTMB State-wide management process self-installed Managed Local Area Network (LAN) cabling, "1345.00.01 Self-installed Managed LAN Cabling Standard": http://www.michigan.gov/dmb/0,4568,7-150-56355_56579_56755---.00.html	M	Yes	A	

ATTACHMENT F – COST TABLES

The Contractor will provide the purchase option of alcohol monitoring hardware and the monitoring support software at the cost listed herein.

As of April 22, 2014, the State already owns approximately 1,400 AMS, SCRAM Continuous Alcohol Monitoring Set, No. 00602. The State anticipates that 200 may be procured each year, excluding the first year, to support replacements.

The State also estimates that a total of 400 AMS, MultiConnect AW Wireless Device, No. 01752 units may be purchased. The State further anticipates that 50 units may be procured each year, excluding the first year, to support replacements.

If the State determines at any time during the Contract term that a leasing option is the best value for the State, the Contractor will offer such leasing options to support alcohol monitoring. The State reserves the right to purchase/lease other alcohol monitoring equipment and support provided by the Contractor as deemed necessary by the State.

The State makes no guarantee nor is committed to purchase/lease any or all devices or support listed herein.

ESTIMATED TOTAL CONTRACT COST

Device	Year	Equipment Total	Monitoring Total
SCRAM CAM	Year 1	N/A State already owns the equipment	\$1,681,190 (\$3.29 x 1400 units x 365 days)
	Year 2	\$259,800 (\$1,299.00 x 200 units)	\$1,681,190
	Year 3	\$259,800	\$1,681,190
	Year 4	\$259,800	\$1,681,190
	Year 5	\$259,800	\$1,681,190
	<i>Sub-total</i>		<i>\$1,039,200</i>
5 Year Estimated Purchase Total – SCRAM CAM		\$9,445,150	
SCRAM Cellular	Year 1	\$145,200 (\$363.00 x 400 units)	\$138,700 (\$0.95 x 400 units x 365 days)
	Year 2	\$18,150 (\$363.00 x 50 units)	\$138,700
	Year 3	\$18,150	\$138,700

	Year 4	\$18,150	\$138,700
	Year 5	\$18,150	\$138,700
	<i>Sub-total</i>	<i>\$235,950</i>	<i>\$693,500</i>
5 Year Estimated Purchase Total - SCRAM Cellular		\$911,300	
GRAND TOTAL CONTRACT ESTIMATED COST		\$10,356,450	

SCRAM Continuous Alcohol Monitoring

Option A: Purchase- SCRAM Continuous Alcohol Monitoring (CAM)

Equipment Information

Device manufacturer, model number*	New Purchase Price per Unit	Daily Monitoring Fee**	Replacement Cost for Lost and Non-Warranty Devices
AMS, SCRAM Continuous Alcohol Monitoring Set, No. 00602 (Includes bracelet and base station) All consumables and tools included: batteries, faceplate, locking clips, exhaust cap, straps, faceplate removal tool, Torx L-Key, shear cutter, Direct Connect Kit, magnet.	\$1,299.00	\$3.29	(See breakdown below)
AMS, SCRAM Continuous Alcohol Monitoring, Bracelets, No. 00777 All consumables and tools included: batteries, faceplate, locking clips, exhaust cap, straps, faceplate removal tool, Torx L-Key, shear cutter, Direct Connect Kit, magnet.	\$1,075.00	\$3.29	\$1,075.00

AMS, SCRAM Continuous Alcohol Monitoring, Base Station, No. 00840 All consumables and tools included: batteries, faceplate, locking clips, exhaust cap, straps, faceplate removal tool, Torx L- Key, shear cutter, Direct Connect Kit, magnet.	\$299.00	\$0.00 (included in No. 00602, Set)	\$299.00
--	----------	---	----------

Replacement of devices that are considered repairable as well as all consumables for the products listed above will be at no cost to the State. This includes, but is not limited to, the following: bracelet, base, batteries, straps, retaining clips, tamper clips, screws, faceplate kits, ankle bracelet, telephone cords, power cord, tools necessary for the installation, maintenance and/or removal of the device.

* List of all components and consumables that are included in the purchase of one of these devices.

** Daily Monitoring Fee will only be assessed on those devices that have been assigned to an offender. These fees will not be assessed for devices that are awaiting use.

Additional Items

Device manufacturer, model number*	New Purchase Price per Unit	Daily Monitoring Fee**	Replacement Cost for Lost and Non- Warranty Devices
AMS, MultiConnect AW Wireless Device, No. 01752 (wireless monitoring for SCRAM Continuous Alcohol Monitoring)	\$363.00	\$0.95	\$363.00

Replacement of devices that are considered repairable will be at no cost to the State.

* List of all components and consumables that are included in the purchase of one of these devices.

** Daily Monitoring Fee will only be assessed on those devices that have been assigned to an offender. These fees will not be assessed for devices that are awaiting use.

Option B: Lease – SCRAM Continuous Alcohol Monitoring (CAM)

Equipment Information

Device manufacturer, model number*	Lease Price per Unit	Daily Monitoring Fee**	Replacement Cost for Lost and Non-Warranty Devices
AMS, SCRAM Continuous Alcohol Monitoring Set, No. 00602 (Includes bracelet and base station) All consumables and tools included: batteries, faceplate, locking clips, exhaust cap, straps, faceplate removal tool, Torx L-Key, shear cutter, Direct Connect Kit, magnet.	\$1.96/day	\$3.29	(See breakdown below)
AMS, SCRAM Continuous Alcohol Monitoring, Bracelets, No. 00777 All consumables and tools included: batteries, faceplate, locking clips, exhaust cap, straps, faceplate removal tool, Torx L-Key, shear cutter, Direct Connect Kit, magnet.	\$1.47/day	\$3.29	\$1,075.00
AMS, SCRAM Continuous Alcohol Monitoring, Base Station, No. 00840 All consumables and tools included: batteries, faceplate, locking clips, exhaust cap, straps, faceplate removal tool, Torx L-Key, shear cutter, Direct Connect Kit, magnet.	\$0.49/day	\$0.00 (included in No. 00602, Set)	\$299.00

Replacement of devices that are considered repairable as well as all consumables for the products listed above will be at no cost to the State. This includes, but is not limited to, the following: bracelet, base, batteries, straps, retaining clips, tamper clips, screws, faceplate kits, ankle bracelet, telephone cords, power cord, tools necessary for the installation, maintenance and/or removal of the device.

* List of all components and consumables that are included in the purchase of one of these devices.

** Daily Monitoring Fee will only be assessed on those devices that have been assigned to an offender. These fees will not be assessed for devices that are awaiting use.

Additional Items

Device manufacturer, model number*	Lease Price per Unit	Daily Monitoring Fee**	Replacement Cost for Lost and Non-Warranty Devices
AMS, MultiConnect AW Wireless Device, No. 01752 (wireless monitoring for SCRAM Continuous Alcohol Monitoring)	\$20.00/mo.	\$1.00	\$363.00

Replacement of devices that are considered repairable will be at no cost to the State.

* List of all components and consumables that are included in the purchase of one of these devices.

** Daily Monitoring Fee will only be assessed on those devices that have been assigned to an offender. These fees will not be assessed for devices that are awaiting use.

SCRAM Remote Breath

Option A: Purchase/In Use Price - SCRAM Remote Breath:

The Contractor is not offering a purchased option for SCRAM Remote Breath at this time.

Option B: Lease/In Use Price - SCRAM Remote Breath

Equipment Information

Device manufacturer, model number*	In Use Daily Price	Volume In Use Per Unit **	Replacement Cost for Lost and Non-Warranty Devices
SCRAM Remote Breath device All consumables and	\$4.00	1-50 51 to 100 101 to 200	\$685.00

tools included:	\$3.85	201 to 500	
*One case	\$3.75	501 to 1,000	
and 3 straws are	\$3.60	1,001 to 2,000	
shipped with every	\$3.50	2,000 +	
unit.	\$3.40		
There are no tools	\$3.25		
necessary.			

Replacement of devices that are considered repairable as well as all consumables for the products listed above will be at no cost to the MDOC. This includes, but is not limited to, the following: straws and case

* List of all components and consumables that are included in the purchase of one of these devices.

** MDOC will only pay the In Use Price per unit listed above based on the number installed. These fees will not be assessed for devices that are awaiting use.

The In Use price includes the cost of the equipment as well as the Daily Monitoring Fee.

ATTACHMENT G – Resume Template

Proposed Resource Name:	Richard Irrer
Proposed Classification:	Project Manager
Key Personnel:	Yes <input checked="" type="checkbox"/> or No <input type="checkbox"/>
If resource is associated with a Subcontractor, provide name of company:	N/A
Percentage of time resource will be allocated to project:	80%

Contractor: List the skills and experience that qualify the individual for the duties and responsibilities on this project for the proposed role. Provide the name of the project(s) and the year(s) the experience was obtained.

Required Skills	Contractor's Response
<i>5 years of experience managing application development and implementation projects of similar size and scope of this RFP.</i>	<p>Does resource have this required skill?: Yes <input checked="" type="checkbox"/> or No <input type="checkbox"/></p> <p>Description of skills and experience: Contract and Program Management, Program Development, Issue/Risk/Change Management, Operational Development, Project Plan & Schedule Development, Coordination & Oversight of Project Team, Review Deliverables & Provide Feedback, Prepare Documents, Materials & Reports, Manage & Report on Budget, and Problem Solving.</p> <p>Name of project(s) and year(s) experience was obtained: MI Department of Corrections Electronic Mon Program -1985 - 2002 MI Department of Corrections Comm Res Programs – 1992-2002</p>

	MI Department of Corrections SCRAM Program – 2002-2013 House Arrest Services SCRAM Program – 2002-2010 & 2013 Marion Co IN Comm Corr SCRAM Program – 2003-2008
<i>2 years of experience in managing a project using the vendor's proposed solution.</i>	Does resource have this required skill?: Yes <input checked="" type="checkbox"/> or No <input type="checkbox"/> Description of skills and experience: Contract and Program Management, Program Development, Issue/Risk/Change Management, Operational Development, Project Plan & Schedule Development, Coordination & Oversight of Project Team, Review Deliverables & Provide Feedback, Prepare Documents, Materials & Reports, Manage & Report on Budget, and Problem Solving. Name of project(s) and year(s) experience was obtained: OH Alcohol Mon Systems SCRAM Program – 2004-2010 Oriana House SCRAM Program – 2004-2010 American Court Services SCRAM Program – 2005-2010 Franklin Co OH Municipal Ct SCRAM Program – 2006-2010 Portage Co OH SCRAM Program – 2006-2010
<i>Education: Minimum 32 semester credit hours in an IT related field. Per addendum, disregard</i>	Does resource have this required skill?: Yes <input type="checkbox"/> or No <input type="checkbox"/> <i>Example: Masters Degree in Computer Science – see Education information below.</i>
<i>Certification: IT Professional certification or 5 years of technical experience within an IT related field. Per addendum, disregard</i>	Does resource have this required skill?: Yes <input type="checkbox"/> or No <input type="checkbox"/> <i>If yes, provide copy of certification or verification of work experience.</i>

List client references for work performed to meet the requirements stated above, and all projects the proposed resource has worked on in the last three (3) years. A minimum of three (3) references are required. By submission of this information, the Contractor and identified key person authorize the State of Michigan to contact references and previous employers provided to verify the accuracy of the information. Provide the identified information for each.

Start Date: 11/1//2002	End Date: Ongoing
Client/Project: Michigan Department of Corrections SCRAM Program. Greg Roach	
Employer: Alcohol Monitoring Systems	
Title/Percentage of time: Regional Sales Manager 75%	
Description: Contract and Program Management, Program Development, Issue/Risk/Change Management, Operational Development	
Start Date: Oct.2011	End Date: Ongoing
Client/Project: Wayne County MI Sheriff's Office/HAS SCRAM Program Dennis Ramel	
Employer: Alcohol Monitoring Systems	
Title/Percentage of time: 5%	
Description: Contract and Program Management, Program Development, Issue/Risk/Change Management, Operational Development	

Start Date 1. May 2003 2. 1/1/13	End Date: 1. 12/31/09 2. Ongoing
Client/Project: House Arrest Services SCRAM Program Jon Ugval	
Employer: Alcohol Monitoring Systems	
Title/Percentage of time:10%	
Description: Contract and Program Management, Program Development, Issue/Risk/Change Management, Operational Development, Training	

Start Date: Mar 2011	End Date: Ongoing
Client/Project: Midstate Security SCRAM Program Stacey Zylstra	
Employer: Alcohol Monitoring Systems	
Title/Percentage of time: 10%	
Description: Contract and Program Management, Program Development, Issue/Risk/Change Management, Operational Development, Training	

EDUCATION

Education		
Degree (i.e., Ph.D., Masters, Bachelor's)	Bachelor of Arts	Year Completed: 1971
Program	Major(s) area of study: Multi-Disciplinary Social Science, Psychology, Sociology, History	Minor area of study: Education
University	Michigan State University, East Lansing MI	

Additional Education		
Degree (i.e., Ph.D., Masters, Bachelor's)	Master of Arts	Year Completed: 1975
Program	Major(s) area of study: Criminal Justice, Counseling	Minor area of study: Learning and Guidance
University	Michigan State University, East Lansing MI	

TRAINING – Provide any relevant technical or professional training related to the role resource will be providing on this project.

Technical or Professional Training	
Course Name	AMS SCRAMNet Training, SCRAM Continuous Alcohol Monitoring Training, Omnilink GPS Training – AMS University, Sales Training.
Topic	<i>(include credit hours if applicable)</i>
Date taken	2002-2013
Technical or Professional Training	
Course Name	MI Dept of Civil Service Training – Management I,II,III, Labor Relations, Project Management, Affirmative Action, Targeted Selection Interviewing, Compute Training, DOS, Windows, WordPerfect, Excel, QuatroPro, Paradox, LEIN, Insyte, CMIS, BI RF 9000 & Home Guard, BI Sobrietor, MEMS 1000.
Topic	<i>(include credit hours if applicable)</i>
Date taken	2002-2013

Certifications/Affiliations	
Name	Affiliations – American Association of Probation and Parole Association, National Association of Drug Court Professionals, Michigan Association of Drug Court Professionals
Topic/Description	
Date completed	

The Contractor has submitted a letter of commitment for Key Personnel, signed by the identified resource, stating their commitment to work for the Contractor/Subcontractor on this project. If the identified personnel are currently assigned to a State project the Contractor must provide a letter signed by the State Project Manager releasing the individual from the project.

Proposed Resource Name:	Jason Tizedes
Proposed Classification:	Account Manager/Project Manager
Key Personnel:	Yes <input checked="" type="checkbox"/> or No <input type="checkbox"/>
If resource is associated with a Subcontractor, provide name of company:	N/A
Percentage of time resource will be allocated to project:	100% of total work week

Contractor: List the skills and experience that qualify the individual for the duties and responsibilities on this project for the proposed role. Provide the name of the project(s) and the year(s) the experience was obtained.

Required Skills	Contractor's Response
<i>5 years of experience managing application development and implementation projects of similar size and scope of this RFP.</i>	<p>Does resource have this required skill?: Yes <input checked="" type="checkbox"/> or No <input type="checkbox"/></p> <p>Description of skills and experience: SCRAM Program management, training program development, data analysis, court support (Over 30 hearing in state of Michigan, accepted as expert in the field of transdermal alcohol monitoring), Program customization, cost reduction strategies.</p> <p>Name of project(s) and year(s) experience was obtained: MDOC SCRAM Program April 2006 - Present Wayne County, MI Sheriff SCRAM Program October 2011 – Present Vermont DOC SCRAM Program January 2011 – July 2012 House Arrest Services SCRAM Program April 2006 - Present</p>
<i>5 years of experience in medical records industry implementing data management and support tools.</i> <i>Per addendum, disregard.</i>	<p>Does resource have this required skill?: Yes <input type="checkbox"/> or No <input type="checkbox"/></p> <p>Description of skills and experience:</p> <p>Name of project(s) and year(s) experience was obtained:</p>
<i>2 years of experience in managing a project using the vendor's proposed solution.</i>	<p>Does resource have this required skill?: Yes <input checked="" type="checkbox"/> or No <input type="checkbox"/></p> <p>Description of skills and experience: SCRAM Program management, training program development, data analysis, court support (Over 30 hearing in state of Michigan, accepted as expert in the field of transdermal alcohol monitoring), Program customization, cost reduction strategies.</p> <p>Name of project(s) and year(s) experience was obtained: OH Alcohol Mon Systems SCRAM Program – 2006-2010 Oriana House SCRAM Program – 2006-2010</p>
<i>Education: Minimum 32 semester credit hours in an IT related field. Per addendum, disregard</i>	<p>Does resource have this required skill?: Yes <input type="checkbox"/> or No <input type="checkbox"/></p> <p><i>Example: Masters Degree in Computer Science – see Education information below.</i></p>
<i>Certification: IT Professional certification or 5 years of technical experience within</i>	<p>Does resource have this required skill?: Yes <input type="checkbox"/> or No <input type="checkbox"/></p> <p><i>If yes, provide copy of certification or verification of work</i></p>

<i>an IT related field. Per addendum, disregard</i>	<i>experience.</i>
---	--------------------

List client references for work performed to meet the requirements stated above, and all projects the proposed resource has worked on in the last three (3) years. A minimum of three (3) references are required. By submission of this information, the Contractor and identified key person authorize the State of Michigan to contact references and previous employers provided to verify the accuracy of the information. Provide the identified information for each.

Start Date: March 6, 2006	End Date: Ongoing
Client/Project: Michigan Department of Corrections (Greg Roach) SCRAM Program	
Employer: Alcohol Monitoring Systems	
Title/Percentage of time: National Account Manager, 70%	
Description: Training, analysis of data, operational development, cost reduction consulting	

Start Date: June 2007	End Date: Ongoing
Client/Project: Wayne county, MI Sheriff's Office SCRAM Program	
Employer: Alcohol Monitoring Systems	
Title/Percentage of time: National Account Manager, 10%	
Description: Training, analysis of data, operational development, cost reduction consulting	

Start Date: June 2007	End Date: January 2011
Client/Project: Portage County Municipal Court, OH, SCRAM Program	
Employer: Alcohol Monitoring Systems	
Title/Percentage of time: Senior Account Manager, 15%	
Description: Training, analysis of data, operational development, cost reduction consulting	

EDUCATION

Education		
Degree (i.e., Ph.D., Masters, Bachelor's)	<i>No degree obtained, education is ongoing</i>	Year Completed: 4
Program	Major(s) area of study: <i>Computer Science</i>	Minor area of study: <i>Mathematics</i>
University	<i>Eastern Michigan University, Ypsilanti, MI</i>	

Additional Education		
Degree (i.e., Ph.D., Masters, Bachelor's)		Year Completed:
Program	Major(s) area of study:	Minor area of study:
University		

TRAINING – Provide any relevant technical or professional training related to the role resource will be providing on this project.

Technical or Professional Training	
Course Name	AMS Level I training completed (Now instructor) 2006 AMS Level II training Court testimony training completed (Now instructor) 2007
Topic	<i>Transdermal Alcohol detection science</i>
Date taken	2006 - 2013

Certifications/Affiliations

Name	Affiliations – American Association of Probation and Parole Association, National Association of Drug Court Professionals, Michigan Association of Drug Court Professionals
Topic/Description	
Date completed	

The Contractor has submitted a letter of commitment for Key Personnel, signed by the identified resource, stating their commitment to work for the Contractor/Subcontractor on this project. If the identified personnel are currently assigned to a State project the Contractor must provide a letter signed by the State Project Manager releasing the individual from the project.

Glossary

24/7/365	Means 24 hours a day, seven days a week, and 365 days a year (including the 366th day in a leap year).
Additional Service	Means any Services/Deliverables within the scope of the Contract, but not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration.
Alcohol Equipment	Equipment designed to measure, track and report alcohol consumption.
Alcohol Monitoring	Monitoring an offender's alcohol use through technology.
Audit Period	See Section 2.110
Blanket Purchase Order	An alternate term for Contract as used in the States computer system.
Business Critical	Any function identified in any Statement of Work as Business Critical.
Business Day	Whether capitalized or not, shall mean any day other than a Saturday, Sunday or State-recognized legal holiday (as identified in the Collective Bargaining Agreement for State employees) from 8:00am EST through 5:00pm EST unless otherwise stated.
Business Hours	Monday through Friday 8:00 A.M. to 5:00 PM Eastern Standard Time and Monday through Friday 8:00 A.M. to 5:00 PM Central Standard time for the following counties: Dickinson, Gogebic, Iron, and Menominee, excluding State holidays for both time zones.
Closed Loop	System and/or staff which take steps beyond the "send-and-forget" approach of common, basic alert and notification systems until all SOM required protocol have been satisfied.
Chronic Failure	Defined in any applicable Service Level Agreements.
Consumables	See Device Consumables
Critical User Support	Issue or problem that prevents the monitoring of offenders, such as the application going down. Issues or problems outside of the Contractor's control would not apply (e.g. a local power outage, MDOC network outage).
Curfew Equipment	Equipment designed to track and report compliance with set curfew requirements.
Curfew Monitoring	Monitoring an offender's curfew compliance through technology.
Days	Means calendar days unless otherwise specified.
Deleted – Not Applicable	Section is not applicable or included in this RFP. This is used as a placeholder to maintain consistent numbering.
Deliverable	Physical goods and/or commodities as required or identified by a Statement of Work
Device Consumables	Includes, but is not limited to, straps, clips, batteries and phone cords. Also includes any component which is considered disposable after use.
DTMB	Michigan Department of Technology, Management and Budget
Electronic Monitoring Systems	Remote monitoring technologies of curfew compliance ("curfew monitoring"), alcohol use ("alcohol monitoring") and/or movement within the community ("location monitoring").
EMC Middleware Solution	MDOC EMC Middleware Solution will be a web-based solution to allow users to view all active monitoring alerts at a glance. The solution will allow agents to utilize one screen to monitor critical alerts for all the monitoring software. Web services will enable data communication between DOC offender management systems and the vendor application.

	<p>Middleware functionality includes, but is not limited to:</p> <ul style="list-style-type: none"> • Capture and display of current alert information from the vendor's application • Auto-population of offender information in the vendor's application for new registrations • Auto-population of monitoring cost in the DOC offender management system for enrollments and terminations • Saving of comments/notes back to the DOC offender management system in the form of Case Notes as well as vendor software • Auto-creation of offender management records confirming new registrations as well as the termination of offenders no longer in each vendor application
Environmentally preferable products	A product or service that has a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. Such products or services may include, but are not limited to, those that contain recycled content, minimize waste, conserve energy or water, and reduce the amount of toxics either disposed of or consumed.
Equipment	Where capitalized, includes all Location Equipment, Curfew Equipment and Alcohol Equipment
Escalating Notification	A process by which a defined employee chain is contacted following criteria established by the SOM.
Excusable Failure	See Section 2.244.
Extended Business Hours	All hours outside of regular/normal business hours, defined as Monday through Friday, 8am to 6pm EST, including weekends and holidays.
Hazardous material	Any material defined as hazardous under the latest version of federal Emergency Planning and Community Right-to-Know Act of 1986 (including revisions adopted during the term of the Contract).
Incident	Any interruption in Services.
ITB	A generic term used to describe an Invitation to Bid. The ITB serves as the document for transmitting the RFP to potential bidders
Key Personnel	Any Personnel designated in Article 1 as Key Personnel.
Location Equipment	Equipment designed to track and report offender location and movement throughout the community.
Location Monitoring	Monitoring an offender's movements with the ability to geographically identify their location. Often utilized through the use of global positioning system (GPS) technology.
Mobile Devices	Tablets, laptops and cell phones
Motion No Location	Location Equipment deemed "in motion", but the equipment is unable to identify location points. Also referred to as Motion No GPS.
Near Real Time	A real event time plus programming delays, depending on the event.
New Work	Any Services/Deliverables outside the scope of the Contract and not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration.
Non-Critical User Support	Issue or problem that still allows the monitoring of offenders. (e.g. reports not being generated)
Ozone-depleting substance	Any substance the Environmental Protection Agency designates in 40 CFR part 82 as: (1) Class I, including, but not limited to, chlorofluorocarbons, halons, carbon tetrachloride, and methyl chloroform; or (2) Class II, including, but not limited to, hydro chlorofluorocarbons

Post-Consumer Waste	Any product generated by a business or consumer which has served its intended end use, and which has been separated or diverted from solid waste for the purpose of recycling into a usable commodity or product, and which does not include post-industrial waste.
Post-Industrial Waste	Industrial by-products that would otherwise go to disposal and wastes generated after completion of a manufacturing process, but do not include internally generated scrap commonly returned to industrial or manufacturing processes.
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.
Reuse	Using a product or component of municipal solid waste in its original form more than once.
RFP	Request for Proposal designed to solicit proposals for services
Services	Any function performed for the benefit of the State.
Source reduction	Any practice that reduces the amount of any hazardous substance, pollutant, or contaminant entering any waste stream or otherwise released into the environment prior to recycling, energy recovery, treatment, or disposal.
State Location	Any physical location where the State performs work. State Location may include state-owned, leased, or rented space.
Subcontractor	A company Contractor delegates performance of a portion of the Services to, but does not include independent Contractors engaged by Contractor solely in a staff augmentation role.
Tamper Alert	Notification that equipment has been altered from its original state.
Unauthorized Removal	Contractor's removal of Key Personnel without the prior written consent of the State.
VRA	Vendor Response Attachment
Waste prevention	Source reduction and reuse, but not recycling.
Waste reduction and Pollution prevention	The practice of minimizing the generation of waste at the source and, when wastes cannot be prevented, utilizing environmentally sound on-site or off-site reuse and recycling. The term includes equipment or technology modifications, process or procedure modifications, product reformulation or redesign, and raw material substitutions. Waste treatment, control, management, and disposal are not considered pollution prevention, per the definitions under Part 143, Waste Minimization, of the Natural Resources and Environmental Protection Act (NREPA), 1994 PA 451, as amended.
Work in Progress	A Deliverable that has been partially prepared, but has not been presented to the State for Approval.
Work Product	Refers to any data compilations, reports, and other media, materials, or other objects or works of authorship created or produced by the Contractor as a result of an in furtherance of performing the services required by this Contract.

EXHIBIT B - TRAINING

SCRAM Continuous Alcohol Monitoring Training Curriculum

Level 1 Training. Level 1 Training is intended for anyone who will manage SCRAM CAM equipment or manage clients who are enrolled in the SCRAM CAM program. The training objectives are to provide general knowledge of the technology, scientific principles of the technology, software navigation, and all functional aspects of the hardware/equipment tasks. Topics covered in Level 1 Training include:

- Equipment overview
- Components of the SCRAM CAM system
- Accessing SCRAMNET
- Region setup (optional)
- Court setup, if needed
- Judge setup, if needed
- Agency setup
- Agent and agent supervisor setup
- Inventory management
- Client enrollment
- Equipment assignment and installation
- Alert management
- Equipment maintenance
- Data interpretation
- Reporting

Field Operations Training. Field Operations training is designed for staff that installs all SCRAM CAM equipment on clients and performs other field-related tasks. Covered in this training are:

- The science and technology of transdermal alcohol monitoring
- Components of all equipment systems
- Software navigation and log on
- Equipment and client management
- Managing alerts in SCRAMNET
- Equipment maintenance activities
- Bracelet/base station replacement
- Equipment bracelet
- Battery replacement
- Faceplate replacement
- Strap replacement
- Tampering
- Data interpretation

Online Training. Online Level 1 Training is accessible from the SCRAMNET Help page at any time, at no additional cost.

Annual Refresher Training. All existing training programs are also available online, which allows staff to be trained when hired. If formal refresher training is required, AMS can accommodate this requirement.

Documentation. The latest versions of all SCRAM CAM documentation are available online to reference and download. In addition, AMS has a very detailed “Help” page functionality through SCRAMNET. The content within the Help page is readily maintained. Help features and functionality include:

- SCRAM CAM Operations Guide – Facilitates management of an efficient SCRAM CAM program.
- Daily Tasks Guide – Designed for those responsible for managing the day-to-day tasks for clients who are ordered to wear the SCRAM CAM bracelet. The content is logically grouped by daily, weekly, and quarterly tasks. The guide is not intended to be a comprehensive manual, but rather a concise list of the daily tasks for efficient management of the County’s SCRAM CAM program.
- Quick Sheets – Stand-alone procedures that provide step-by-step directions to assist with SCRAM CAM equipment tasks, such as equipment setup, equipment replacements, and manual data uploads.

EXHIBIT H - WARRANTY AND LETTER OF SUPPORT

SCRAM CONTINUOUS ALCOHOL MONITORING SERVICE AND REPAIR

Service and Repair Policy. When installed according to instructions and so long as Service Partner continues to pay to AMS the Daily SCRAM Continuous Alcohol Monitoring Services Fee for such SCRAM Continuous Alcohol Monitoring Sets AMS warrants to Service Partner that the SCRAM Continuous Alcohol Monitoring Sets will function with SCRAMNET substantially in accordance with the performance parameters specified in the **SCRAMx Operations Reference Guide**. While the SCRAM Continuous Alcohol Monitoring equipment can provide continuous home detention monitoring, it is not designed to give immediate notification of alcohol detection. .

Exclusions from Service and Repair Policy. The above policy does not cover SCRAM Continuous Alcohol Monitoring Sets that are defective due to (i) improper use or installation, damage, accident, abuse or alteration; (ii) failure to comply with the operating and maintenance instructions set forth in the SCRAM Continuous Alcohol Monitoring Daily Operations Guide; (iii) servicing of the SCRAM Continuous Alcohol Monitoring Sets by anyone not previously authorized by AMS; (iv) failure of Service Partner to obtain reasonable and necessary maintenance of the SCRAM Continuous Alcohol Monitoring Sets as contemplated under this Agreement; or (v) use of parts for the service or repair of the SCRAM Continuous Alcohol Monitoring Sets that have not been approved in writing by AMS for use in the Products.

Sole Remedy. In the event of a breach of the above service and repair policy, AMS will, at its sole option, repair or replace the defective SCRAM Continuous Alcohol Monitoring Set. **THE REMEDIES EXPRESSLY STATED IN THIS EXHIBIT H ARE EXCLUSIVE, AND AMS DISCLAIMS ALL OTHER WARRANTIES, EXPRESS AND IMPLIED, INCLUDING WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. SERVICE PARTNER IS SOLELY RESPONSIBLE FOR DETERMINING THE SUITABILITY OF THE PRODUCTS AND SCRAM Continuous Alcohol Monitoring SERVICES FOR SERVICE PARTNER'S OR AGENCY'S INTENDED PURPOSE.**

Disclaimers of Warranties and Liability to Agencies. In any Contract that Service Partner enters into with an Agency, Service Partner shall i) state that AMS makes no warranties of any kind directly to the Agency and its Participants and ii) disclaim AMS' liability for damages, whether direct or indirect, incidental or consequential, arising in connection with Service Partner's services to the Agency and Participants. Where it is the practice of the Agency to order services from the Service Partner without a written Contract, Service Partner shall deliver written notice to the Agency of the foregoing disclaimers on behalf of AMS.

SCRAM Wireless Device

AMS warrants MultiConnect AW to be free of defects for 1 year following delivery. In the event of a non-functioning product in that 1 year, AMS will repair or replace the device. The warranty does not apply to devices that have been damaged by lightning, **water** or power surges, (b) neglected, altered, abused, or used for a purpose other than the purpose for they were provided, (c) disassembled or repaired by MDOC staff or another party, or (d) used in conjunction with a third party product other than the SCRAM Base Station. **AMS MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH REGARD TO THE DEVICE AND ALL OTHER EXPRESS WARRANTIES IN THE AGREEMENT AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, AND FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY DISCLAIMED.**

SCRAM REMOTE BREATH WARRANTY

SCRAM Remote Breath will be fully warranted against manufacturer defects of any kind while provided under lease. This does not cover lost equipment. Lost devices can be replaced for \$685.00 per device.

EXHIBIT I – RETURN MERCHANDISE AUTHORIZATION (RMA)

Purpose:

The purpose of this policy is to outline AMS policy as it relates to the RMA issuance for Scheduled Maintenance on our CAM and HA bracelets.

Scope:

This policy is relevant to AMS Customers and Customer Service

References:

AMS Equipment Replacement Policy

AMS/Management Accountability:

Customer Service Management

Statement:

AMS has a scheduled maintenance policy for all CAM and HA bracelets in the field. AMS issues a Return Material Authorization Number (RMA) for all units with 365 days usage on the equipment.

SCRAMNet systems will automatically issue a Scheduled Maintenance RMA for a piece of equipment that has reached the maximum amount of days utilized in the field. This automatic RMA will generate a Replace Equipment Alert on the SCRAMNet workload page in advance to give the Customer ample time to replace the unit:

- 360 days usage while in an Assigned to Client status, allowing a 5 day grace period for the Customer to remove and replace the unit.
- 330 days usage if the unit is on the shelf or another inventory status. This allows the customer a 35 day buffer period so that the unit does not get assigned when approaching the maintenance window.

AMS policy states that the AMS Customer should return the scheduled maintenance unit to be refurbished.

AMS will replace the scheduled maintenance equipment once the RMA has been issued by the system. The customer should not expect to receive the same unit back as a replacement as AMS does not wait for receipt of the unit prior to providing a replacement to the customer.

Revision History:

Rev	Eff. Date	DCO #	Submitted by:	Description of Change
A			Doc Process Team	Initial version