



STATE OF MICHIGAN

Department of Corrections
 206 E Michigan Avenue, Lansing MI 48933
 PO Box 30003, Lansing MI 48909

CONTRACT CHANGE NOTICE

Change Notice Number **1**
 to
 Contract Number **21000000442**

CONTRACTOR	PDS Consultants, Inc.
	22 Rainbow Trail
	Sparta, NJ 07871
	Seth Loosen
	585-478-2266
	sloosen@pdsoptical.com
	VS0182345

STATE	Program Manager	Matthew Yeager	MDOC
		517-265-3900 ext. 2653310	
		yeagerm@michigan.gov	
STATE	Contract Administrator	Chris Hopcraft	MDOC
		517-241-2192	
		HopcraftC@michigan.gov	

CONTRACT SUMMARY				
DESCRIPTION: Optical Lenses				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
January 29, 2021	January 28, 2024	2 One-Year	January 28, 2024	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		14 calendar days ARO		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
None				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	One Year	<input type="checkbox"/>		January 28, 2025
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$217,954.00		\$0.00	\$217,954.00	
DESCRIPTION: Effective January 18, 2024, the following changes are made to this contract:				
The State is exercising the first option year. The revised Contract expiration date is January 28, 2025.				
The Contractor Representative has been changed to Seth Loosen. The State Contract Administrator has been changed to Chris Hopcraft.				
All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB CPS approval.				

FOR THE CONTRACTOR:

PDS Consultants Inc.
Company Name

E-SIGNED by Seth Loosen
on 2024-01-18 13:57:25 EST

Authorized Agent Signature

Seth Loosen
Authorized Agent (Print or Type)

2024-01-18 13:57:25 UTC

Date

FOR THE STATE:

E-SIGNED by Julie Hamp
on 2024-01-18 21:13:39 EST

Signature

Julie Hamp, Deputy Director
Name & Title

Department of Corrections
Agency

2024-01-18 21:13:39 UTC

Date



STATE OF MICHIGAN PROCUREMENT

Department of Corrections

206 E. Michigan Ave. Lansing MI, 48933

PO Box 30003 Lansing, MI 48909

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **21000000442 - Revised**

between

THE STATE OF MICHIGAN

and

CONTRACTOR	PDS Consultants, Inc.
	22 Rainbow Trail
	Sparta NJ 07871
	Richard Murray
	877-809-4063
	rich@pdsconsultants.com
	VS0182345

STATE	Program Manager	Matthew Yeager	MDOC
		517-265-3900 ext. 2653310	
	yeagerm@michigna.gov		
	Contract Administrator	Lisa Lehnert	MDOC
517-335-4904			
lehnertl@michigan.gov			

CONTRACT SUMMARY			
DESCRIPTION: Optical Lenses			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
January 29, 2021	January 28, 2024	2 one-year	January 28, 2024
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		14 calendar days ARO	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
None			
MISCELLANEOUS INFORMATION			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			\$217,954.00

FOR THE CONTRACTOR:

PDS CONSULTANTS INC
Company Name


Authorized Agent Signature

RICHARD MURRAY
Authorized Agent (Print or Type)

1-28-21
Date

FOR THE STATE:

Lia Gulick
Signature

Lia Gulick, Deputy Director
Name & Title

Michigan Department of Corrections
Agency

02/03/2021
Date



STATE OF MICHIGAN PROCUREMENT

Department of Corrections

206 E. Michigan Ave. Lansing MI, 48933
 PO Box 30003 Lansing, MI 48909

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **210000000442**

between

THE STATE OF MICHIGAN

and

CONTRACTOR	PDS Consultants, Inc.
	22 Rainbow Trail
	Sparta NJ 07871
	Richard Murray
	877-809-4063
	rich@pdsconsultants.com
	VS0182345

STATE	Program Manager	Matthew Yeager	MDOC
		517-265-3900 ext. 2653310	
	yeagerm@michigna.gov		
	Contract Administrator	Lisa Lehnert	MDOC
517-335-4904			
lehnertl@michigan.gov			

CONTRACT SUMMARY

DESCRIPTION: Optical Lenses			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
January 29, 2021	January 29, 2024	2 one-year	January 28, 2024
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		14 calendar days ARO	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
None			
MISCELLANEOUS INFORMATION			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			\$217,954.00

FOR THE CONTRACTOR:

PDS CONSULTANTS INC.
Company Name


Authorized Agent/Signature

RICHARD MURRAY VP CEO
Authorized Agent (Print or Type)

1-26-21
Date

FOR THE STATE:

Lia Gulick
Signature

Lia Gulick, Deputy Director

Name & Title

Michigan Department of Corrections

Agency

01/27/2021
Date

STANDARD CONTRACT TERMS

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and PDS Consultants Inc. (“**Contractor**”), a New Jersey Corporation. This Contract is effective on January 29, 2021 and unless terminated, expires on January 28, 2024.

This Contract may be renewed for up to two additional one-year periods. Renewal is at the sole discretion of the State and will automatically extend the Term of this Contract. The State will document its exercise of renewal options via Contract Change Notice.

The parties agree as follows:

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

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

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

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

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

STANDARD CONTRACT TERMS

If to State:	If to Contractor:
Procurement Michigan Department of Corrections Grandview Plaza, 5 th Floor PO Box 30003 Lansing, MI 48909	Name: Steve Baker, Chief Operating Officer Email: sbaker@pdscinc.com Address: 3801 Bishop Lane Louisville, KY 40218 Phone: 502-897-1656

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

State:	Contractor:
Lisa Lehnert Buyer Michigan Department of Corrections Grandview Plaza, 5 th Floor PO Box 30003 Lansing, MI 48909 Lehnertl@michigan.gov (517) 335-4904	Steve Baker, Chief Operating Officer 3801 Bishop Lane Louisville, KY 40218 sbaker@pdscinc.com Phone: 502-897-1656

Contract Manager. The Contract Manager for each party is the sole point of contact for each party on all contract related issues. The Contract Manager will work with the Contract Administrator/Buyer if there are reasons to modify any terms of this Contract:

State:	Contractor:
Andrew Fotenakes Grandview Plaza, 5 th Floor PO Box 30003 Lansing, MI 48909 FotenakesA@michigan.gov	Steve Baker, Chief Operating Officer 3801 Bishop Lane Louisville, KY 40218 sbaker@pdscinc.com Phone: 502-897-1656

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

State:	Contractor:
Matt Yeager Gus Harrison Correctional Facility 2727 E. Beecher St. Adrian, MI 49221 YeagerM@michigan.gov 517-265-3900 ext.265-3310	Steve Baker, Chief Operating Officer 3801 Bishop Lane Louisville, KY 40218 sbaker@pdscinc.com Phone: 502-897-1656

STANDARD CONTRACT TERMS

5. **Performance Guarantee.** Contractor must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the Contract and must provide proof upon request. The State may require a performance bond (as specified in Schedule A – Statement of Work) if, in the opinion of the State, it will ensure performance of the Contract.
6. **Insurance Requirements.** Contractor, at its sole expense, must maintain the insurance coverage identified below. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by a company with an A.M. Best rating of "A-" or better, and a financial size of VII or better.

Required Limits	Additional Requirements
Commercial General Liability Insurance	
Minimum Limits: \$1,000,000 Each Occurrence \$1,000,000 Personal & Advertising Injury \$2,000,000 Products/Completed Operations \$2,000,000 General Aggregate Deductible Maximum: \$50,000 Each Occurrence	Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 04.
Automobile Liability Insurance	
Minimum Limits: \$1,000,000 Per Accident	Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds; and (2) include Hired and Non-Owned Automobile coverage.
Workers' Compensation Insurance	
Minimum Limits: Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
Minimum Limits: \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease	

STANDARD CONTRACT TERMS

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

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

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

7. Reserved.

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

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

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

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

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

STANDARD CONTRACT TERMS

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

- 10. Subcontracting.** Contractor may not delegate any of its obligations under the Contract without the prior written approval of the State. Contractor must notify the State at least 90 calendar days before the proposed delegation and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, Contractor must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all Contract Activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in this Contract in any subcontract with a subcontractor. Contractor remains responsible for the completion of the Contract Activities, compliance with the terms of this Contract, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor.
- 11. Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.
- 12. Background Checks.** Pursuant to Michigan law, all agencies subject to IRS Pub. 1075 are required to ask the Michigan State Police to perform fingerprint background checks on all employees, including Contractor and Subcontractor employees, who may have access to any database of information maintained by the federal government that contains confidential or personal information, including, but not limited to, federal tax information. Further, pursuant to Michigan law, any agency described above is prohibited from providing Contractors or Subcontractors with the result of such background check. For more information, please see Michigan Public Act 427 of 2018. Upon request, or as may be specified in Schedule A, Contractor must perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.
- 13. Assignment.** Contractor may not assign this Contract to any other party without the prior approval of the State. Upon notice to Contractor, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Contract to any other party. If the State determines that a novation of the Contract to a third party is necessary, Contractor will agree to the novation and provide all necessary documentation and signatures.

STANDARD CONTRACT TERMS

- 14. Change of Control.** Contractor will notify within 30 days of any public announcement or otherwise once legally permitted to do so, the State of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following: (a) a sale of more than 50% of Contractor's stock; (b) a sale of substantially all of Contractor's assets; (c) a change in a majority of Contractor's board members; (d) consummation of a merger or consolidation of Contractor with any other entity; (e) a change in ownership through a transaction or series of transactions; (f) or the board (or the stockholders) approves a plan of complete liquidation. A change of control does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes.

In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.

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

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

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

- 17. Delivery.** Contractor must deliver all Contract Activities F.O.B. destination, within the State premises with transportation and handling charges paid by Contractor, unless

STANDARD CONTRACT TERMS

otherwise specified in Schedule A. All containers and packaging become the State's exclusive property upon acceptance.

- 18. Risk of Loss and Title.** Until final acceptance, title and risk of loss or damage to Contract Activities remains with Contractor. Contractor is responsible for filing, processing, and collecting all damage claims. The State will record and report to Contractor any evidence of visible damage. If the State rejects the Contract Activities, Contractor must remove them from the premises within 10 calendar days after notification of rejection. The risk of loss of rejected or non-conforming Contract Activities remains with Contractor. Rejected Contract Activities not removed by Contractor within 10 calendar days will be deemed abandoned by Contractor, and the State will have the right to dispose of it as its own property. Contractor must reimburse the State for costs and expenses incurred in storing or effecting removal or disposition of rejected Contract Activities.
- 19. Warranty Period.** The warranty period, if applicable, for Contract Activities is a fixed period commencing on the date specified in Schedule A. If the Contract Activities do not function as warranted during the warranty period, the State may return such non-conforming Contract Activities to the Contractor for a full refund.
- 20. Terms of Payment.** Invoices must conform to the requirements communicated from time-to-time by the State. All undisputed amounts are payable within 45 days of the State's receipt. Contractor may only charge for Contract Activities performed as specified in Schedule A. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Agreement are for the State's exclusive use. All prices are exclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

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

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

STANDARD CONTRACT TERMS

- 21. Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in Schedule A.
- 22. Stop Work Order.** The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract or delivery order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.
- 23. Termination for Cause.** The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

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

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

- 24. Termination for Convenience.** The State may immediately terminate this Contract in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 25, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities.
- 25. Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed **90**

STANDARD CONTRACT TERMS

calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.

- 26. General Indemnification.** Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract; (b) any infringement, misappropriation, or other violation of any intellectual property right or other right of any third party; (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable); and (d) any acts or omissions of Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).

The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.

The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Contractor will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

STANDARD CONTRACT TERMS

Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

- 27. Infringement Remedies.** If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.
- 28. Limitation of Liability and Disclaimer of Damages. IN NO EVENT WILL THE STATE'S AGGREGATE LIABILITY TO CONTRACTOR UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES PAYABLE UNDER THIS CONTRACT.** The State is not liable for consequential, incidental, indirect, or special damages, regardless of the nature of the action.
- 29. Disclosure of Litigation, or Other Proceeding.** Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a subcontractor, or an officer or director of Contractor or subcontractor, that arises during the term of the Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud; or (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.
- 30. State Data.** All data and information provided to Contractor by or on behalf of the State, and all data and information derived therefrom, is the exclusive property of the State ("**State Data**"); this definition is to be construed as broadly as possible. Upon request, Contractor must provide to the State, or a third party designated by the State, all State Data within 10 calendar days of the request and in the format requested by the State. Contractor will assume all costs incurred in compiling and supplying State Data. No State Data may be used for any marketing purposes.
- 31. Reserved.**
- 32. Non-Disclosure of Confidential Information.** The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is

STANDARD CONTRACT TERMS

confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section survive the termination of this Contract.

- a. Meaning of Confidential Information.** For the purposes of this Contract, the term “**Confidential Information**” means all information and documentation of a party that: (a) has been marked “confidential” or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked “confidential” or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked “confidential” or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term “Confidential Information” does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party’s proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.
- b. Obligation of Confidentiality.** The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a subcontractor is permissible where: (a) use of a subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the subcontractor's responsibilities; and (c) Contractor obligates the subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.
- c. Cooperation to Prevent Disclosure of Confidential Information.** Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.

STANDARD CONTRACT TERMS

- d. **Remedies for Breach of Obligation of Confidentiality.** Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.
- e. **Surrender of Confidential Information upon Termination.** Upon termination of this Contract or a Statement of Work, in whole or in part, each party must, within 5 calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control; provided, however, that Contractor must return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party. However, the State's legal ability to destroy Contractor data may be restricted by its retention and disposal schedule, in which case Contractor's Confidential Information will be destroyed after the retention period expires.
33. **Reserved.**
34. **Reserved.**
35. **Reserved.**
36. **Records Maintenance, Inspection, Examination, and Audit.** The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to the Contract through the term of the Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.

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

STANDARD CONTRACT TERMS

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

- 37. Warranties and Representations.** Contractor represents and warrants: (a) Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and Contractor has the rights necessary to convey title, ownership rights, or licensed use; (b) all Contract Activities are delivered free from any security interest, lien, or encumbrance and will continue in that respect; (c) the Contract Activities will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party; (d) Contractor must assign or otherwise transfer to the State or its designee any manufacturer's warranty for the Contract Activities; (e) the Contract Activities are merchantable and fit for the specific purposes identified in the Contract; (f) the Contract signatory has the authority to enter into this Contract; (g) all information furnished by Contractor in connection with the Contract fairly and accurately represents Contractor's business, properties, finances, and operations as of the dates covered by the information, and Contractor will inform the State of any material adverse changes; (h) all information furnished and representations made in connection with the award of this Contract is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading; and that (i) Contractor is neither currently engaged in nor will engage in the boycott of a person based in or doing business with a strategic partner as described in 22 USC 8601 to 8606. A breach of this Section is considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 23, Termination for Cause.
- 38. Conflicts and Ethics.** Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.
- 39. Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.
- 40. Reserved.**
- 41. Reserved.**
- 42. Nondiscrimination.** Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and [Executive Directive 2019-09](#). Contractor and its subcontractors

STANDARD CONTRACT TERMS

agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex (as defined in Executive Directive 2019-09), height, weight, marital status, partisan considerations, any mental or physical disability, or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position. Breach of this covenant is a material breach of this Contract.

- 43. Unfair Labor Practice.** Under MCL 423.324, the State may void any Contract with a Contractor or subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.
- 44. Governing Law.** This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.
- 45. Non-Exclusivity.** Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.
- 46. Force Majeure.** Neither party will be in breach of this Contract because of any failure arising from any disaster or acts of god that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Contractor will not be relieved of a breach or delay caused by its subcontractors. If immediate performance is necessary to ensure public health and safety, the State may immediately contract with a third party.
- 47. Dispute Resolution.** The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to the parties' respective Contract Administrators or Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

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

STANDARD CONTRACT TERMS

relief is the only adequate remedy. This Section does not limit the State’s right to terminate the Contract.

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

Schedule A	Statement of Work
Schedule B	Pricing
Attachment A	Service Level Agreement (SLA)

- 51. Entire Agreement and Order of Precedence.** This Contract, which includes Schedule A – Statement of Work, and schedules and exhibits which are hereby expressly incorporated, is the entire agreement of the parties related to the Contract Activities. This Contract supersedes and replaces all previous understandings and agreements between the parties for the Contract Activities. If there is a conflict between documents, the order of precedence is: (a) first, this Contract, excluding its schedules, exhibits, and Schedule A – Statement of Work; (b) second, Schedule A – Statement of Work as of the Effective Date; and (c) third, schedules expressly incorporated into this Contract as of the Effective Date. NO TERMS ON CONTRACTOR’S INVOICES, ORDERING DOCUMENTS, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE CONTRACT ACTIVITIES WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE, EVEN IF ACCESS TO OR USE OF THE CONTRACT ACTIVITIES REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.
- 52. Severability.** If any part of this Contract is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Contract and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Contract will continue in full force and effect.
- 53. Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.

STANDARD CONTRACT TERMS

- 54. Survival.** The provisions of this Contract that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this Contract.
- 55. Contract Modification.** This Contract may not be amended except by signed agreement between the parties (a “**Contract Change Notice**”). Notwithstanding the foregoing, no subsequent Statement of Work or Contract Change Notice executed after the Effective Date will be construed to amend this Contract unless it specifically states its intent to do so and cites the section or sections amended.

SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

Contract: 21000000442

Optical Lenses

SCOPE

This is a request for a Contractor to provide optical lenses. The State reserves the right to add or delete products to best meet the needs of the ordering entity.

REQUIREMENTS

The Contractor must provide optical lenses for use in the production of eyeglasses according to the following specifications. The Contractor will be required to provide the optical lenses as ordered and within the time constraints required.

The Contractor is solely responsible to ensure that products delivered meet the specifications and requirements of this Contract.

1. General Requirements

1.1 Product Specifications

A. Optical Lenses

1. General Specifications

Item 1: Optical lenses, semi-finished, first quality hard resin CR-39, tintable, standard thickness, lens diameter 65 mm-80mm sizes outside this range will not be accepted, front base curves may vary +/- 0.50 diopters from the listed request.

plano nominal front base curve
+2.50 nominal front base curve
+4.50 nominal front base curve.

Brand: Essilor

Item 2: Optical lens, finished, single vision, hard resin CR-39, spheres, first quality, standard dress wear thickness, 65mm - 80mm sizes outside this range will not be accepted, tintable, power range plano to plus or minus 6.00 in 0.25 diopter increments. including plano.

Brand: Essilor

SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

Item 3: Optical lens, finished, single vision, hard resin CR-39, compound cylinder, first quality, standard dress thickness 65mm - 80mm sizes outside this range will not be accepted, tintable, power range sphere +4.00 to -6.00 with up to a 2.00 diopter cylinder all in 0.25 increments.

Brand: Essilor

Item 4: Optical lens, semi-finished, flat top D 28mm bifocal, hard resin CR-39 65mm – 80mm sizes outside this range will not be accepted, standard thickness, front base curve as listed may vary by plus 0.50 diopters. adds to increase in 0.25 diopter increments, tintable.

plano base to +3.00 add
+2.50 base to +4.00 add
+4.25 base to +4.00 add
+6.25 base to +4.00 add
+8.50 base to +4.00 add
+10.50 base to +4.00 add.

Brand: Essilor

Item 5: Optical lens, finished, single vision polycarbonate industrial thickness to ANSI Z87.1 standards, spheres, first quality, 65mm - 80mm sizes outside this range will not be accepted, tintable, power range from +4.00 to -5.00 including plano in 0.25 diopter increments, hard resin CR-39.

Brand: Zeiss

Item 6: Optical lens, finished single vision, polycarbonate industrial thickness to ANSI Z87.1 standards, compound cylinder, power range sphere +3.00 to -6.00 with 2.00 diopter cylinder all in 0.25 diopter increment combinations, 65mm - 80mm sizes outside this range will not be accepted, tintable.

Brand: Zeiss

Item 7: Optical lens, semi-finished, polycarbonate, flat top 28, all available bases, +1.00 - +3.00 add, plano, 65mm - 80mm sizes outside this range will not be accepted.

Brand: Essilor

SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

Item 8: Optical lens, semi-finished, plastic, flat top 7x28, all available bases and add powers, 65mm – 80mm sizes outside this range will not be accepted.

Brand: Essilor

Item 9: Optical lens, semi-finished and finished, plastic, single vision, transitions, CR-39, 65mm - 80mm sizes outside this range will not be accepted.

Brand: Essilor

Item 10: Optical lens, semi-finished, plastic, flat top 28, PhotoFusion all available bases and adds, CR-39, 65mm – 80mm sizes outside this range will not be accepted.

Brand: Zeiss

Item 11: Optical lens, semi-finished, plastic, flat top 7x28, PhotoFusion all available bases and adds, CR-39, 65mm – 80mm

Brand: Zeiss

Item 12: Optical lens, semi-finished, single vision, polycarbonate, all available bases, standard thickness, plano, 65mm - 80mm sizes outside this range will not be accepted.

Brand: Essilor

Item 13: Optical lens, finished, single vision, polarized gray A and C, plastic, CR-39, 65mm – 80mm sizes outside this range will not be accepted.

Brand: Essilor

Item 14: Optical lens, finished, single vision, plastic, polarized light brown, CR-39, 65mm - 80mm sizes outside this range will not be accepted.

Brand: Essilor

Item 15: Optical lens, finished, single vision dress polycarbonate, spheres, first quality, 65mm -80mm sizes outside this range will not be accepted, tintable, power range from +4.00 to -6.00 including plano in 0.25 diopter increments, hard resin CR-39.

Brand: Zeiss

Item 16: Optical lens, finished single vision, dress polycarbonate, compound cylinder, power range sphere +4.00 to -5.00 with 2.00

SCHEDULE A – STATEMENT OF WORK

CONTRACT ACTIVITIES

diopter cylinder all in 0.25 diopter increment combinations, 65mm - 80mm sizes outside this range will not be accepted, tintable.
Brand: Zeiss

2. The Contractor has disclosed the location of the manufacture to be China, Taiwan, South Korea, Philippines, Mexico, and the USA.

If the Contractor changes the location of manufacturing, the Contractor must notify the Contract Administrator 60 calendar days prior to the change.

1.2 Warranties

All deliverables must have a minimum one (1) year warranty against any and all manufacturer's defects.

1.3 Recall Requirements and Procedures

In the event of a recall, the Contractor must immediately notify MDOC Contract Administrator, Contract Monitor, and Program Manager by email. The Contractor must provide instructions detailing the process to return the products to the Contractor at the expense of the Contractor. The Contractor is solely responsible for notifying MDOC and coordinating the return of the products.

1.4 Reserved.

1.5 Minimum Order

- A. There is no minimum order quantity.
- B. There is no specific guarantee of the number of orders that will be placed or total quantity ordered during the contract period.

1.6 Incorrectly Filled Orders

- A. All returns for incorrectly filled orders must be at no cost to the State.
- B. If there are deficiencies in the deliverables, the State will notify the Contractor by email of the deficiencies. The Contractor will have 30 calendar days to correct and resubmit the deliverables at no cost to the State.

SCHEDULE A – STATEMENT OF WORK

CONTRACT ACTIVITIES

- C. The Contractor is solely responsible to coordinate the refund/return/replacement of incorrectly filled orders.

1.7 Return Policy and Procedure

In the event that the State wants to return the items for reasons other than warranty, defects, or incorrectly filled orders, Contractor will accept the return of the items without a restocking fee provided MDOC submits a replacement order of equal quantity and/or value. Contractor will charge a 10% restocking fee if a replacement order of equal quantity and/or value is not placed.

1.8 Reserved.

2. Service Levels

2.1. Time Frames

- A. Deliveries must be made within 14 calendar days. Deliveries after the contracted business days are considered late. The receipt of order date is pursuant to Section 2, Notices, of the Standard Contract Terms.
- B. Contractor must submit its delivery date via email within two business days of receipt of order to the Program Manager and Contract Manager.
- C. The Contractor is solely responsible to ensure that it or any subcontractors, manufacturers, and/or major suppliers meet the delivery requirement.
- D. MDOC requires all deliveries be completed by the time period specified in the Contract.
- E. Contractor is closed on the following national holidays: New Years Day, Memorial Day, July Fourth, Labor Day, Thanksgiving Day, and Christmas day. Holiday closures will not affect the delivery requirement.

2.2. Reporting

- A. The Contractor must ensure that an accurate Monthly Order and Delivery Report is delivered via email to the Program Manager and Contract Manager within 15 calendar days from the close of the previous month. See Attachment A. Service Level Agreement (SLA). The State will provide an approved template. Reports must specify:

SCHEDULE A – STATEMENT OF WORK

CONTRACT ACTIVITIES

- Delivery Order Number (DO),
 - Date of receipt of the delivery order,
 - Quantity ordered,
 - Shipment dates and quantities, and
 - Date of signed shippers by MDOC.
- B.** The Contractor must provide additional various reports to the MDOC Contract Administrator, Contract Manager, Program Manager, or designees, upon request. Examples may include itemized reports of total items purchased by MDOC, open invoice reports, delivery compliance reports, quality reports, and proof of delivery documentation.
- C.** Upon request, the Contractor must provide an Order Report to the Contract Manager or designee listing the delivery order number, date of receipt of the delivery order, quantity ordered, shipment dates and quantities, and date of signed shippers by MDOC. The due dates will be agreed upon by the Contractor and MDOC.
- D.** The Contractor must proactively update the Contract Administrator, Contract Manager or designee and Program Manager of industry shifts and trends; as well as new products offered when such information becomes available.
- E.** The Contractor should annually evaluate if cost savings of 5% or more can be recognized and provide the information to the Contact Administer and Program Manager. The due date of the reports and format will be agreed upon by the Contractor and MDOC Contract Administrator. Suggestions may include, but are not limited to:
- Whether any products of equivalent specifications are available at a lower cost.
 - Whether price decreases are justified based on increased volume, market changes, or other issues.

2.3. Meetings

- A.** The Contractor should inform the Contract Administrator and Contract Monitor of any meetings with MSI factory or Business Office Staff. Notification shall be provided to the Contract Administrator and Contract Monitor by email at least 10 business days prior the proposed meeting.

SCHEDULE A – STATEMENT OF WORK

CONTRACT ACTIVITIES

B. Mandatory Kickoff Meeting

The Contractor is required to participate in a kickoff meeting scheduled by the MDOC. The kickoff meeting is expected to be scheduled within 30 calendar days of the Effective Date of the Contract. The kickoff meeting may be conducted remotely.

C. Annual Meetings

Upon request, the Contractor will attend annual meetings by telephone or in person to be held at a location and time of MDOC's choosing. Topics shall include contract compliance, industry information, and other issues or concerns.

D. The State may request other meetings as it deems appropriate.

3. Staffing

3.1. Contractor Representative

A. The Contractor Representative specifically assigned to State of Michigan accounts who will respond to State inquiries regarding the Contract Activities, answer questions related to ordering and delivery, etc. (the "Contractor Representative") is:

Dana Bryant
Lens Department
3801 Bishop Lane
Louisville, KY 40218
502-813-3346
danab@pdsinc.com

B. The Contractor must notify the Contract Administrator immediately upon removing or assigning a new Contractor Representative.

3.2. Customer Service Toll-Free Number

The Contractor's toll-free number for the State to make contact with the Contractor Representative is 800-624-4225. The Contractor Representative is

SCHEDULE A – STATEMENT OF WORK

CONTRACT ACTIVITIES

available for calls 24 hours a day, 7 days a week. The Contractor must respond to all messages within the same business day.

3.3. Disclosure of Subcontractors, Manufacturers, and/or Major Suppliers

- A.** The Contractor has disclosed it intends to utilize the following subcontractors, manufacturers, and/or major suppliers, in the performance of this Contract.

Carl Zeiss Vision
12121 Scripps Summit Dr. STE #400
San Diego, CA 92131
858-790-7700

Essilor of America
13555 N. Stemmons Fwy.
Dallas, TX 75234
937-239-9779

- B.** Changes to the subcontractors, manufacturers, and or major suppliers must be approved by the State through the issuance of a Contract Change Notice.
- C.** The State reserves the right to require the Contract change sub-contractors, manufacturers, and or major suppliers at the State's sole discretion.

3.4. Security

The Contractor's staff may be required to make deliveries to or enter MDOC facilities.

The Contractor/subcontractor and any staff assigned to this contract will be subject to the following security procedures:

- A.** No active warrants or pending charges on any staff assigned to this contract.
- B.** MDOC reserves the right to approve, decline, or remove Contractor and subcontractor staff from providing services on this Contract.

SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

- C.** Not under investigation or under disciplinary action of the Michigan Department of Licensing and Regulatory Affairs.
- D.** Has not engaged in sexual abuse in a prison, jail, lockup, community confinement facility, juvenile facility or other institution as defined in 42 U.S.C. 1997.
- E.** Has not been convicted of engaging in, attempting to engage in or conspiracy to engage in sexual activity facilitated by force, overt or implied threats of force or coercion, or if the victim did not consent or was unable to consent or refuse.
- F.** Has not been civilly or administratively adjudicated to have engaged in the activity described in Number E. above.
- G.** The MDOC may investigate the Contractor/subcontractor's personnel before they may have access to MDOC facilities and systems. The scope of the background check is at the discretion of the MDOC and the results will be used to determine Contractor/Subcontractor's personnel eligibility for working within MDOC facilities and systems. The investigations will include Michigan State Police Background checks (ICHAT) and the Law Enforcement Information Network (LEIN) and may include the National Crime Information Center (NCIC). Proposed Contractor/subcontractor personnel may be required to complete and submit an RI-8 Fingerprint Card for the NCIC Fingerprint Check. Any request for background checks will be initiated by the MDOC and will be reasonably related to the type of work requested.
- H.** The Contractor/subcontractor's personnel must be LEIN cleared and received written approval from the MDOC's Program Manager and Contract Manager initially and annually by MDOC prior to any work with MDOC offenders. Any Contractor/subcontractor staff with an identified felony conviction must receive approval through the MDOC Deputy Director or designee.
- I.** A completed LEIN Information Form for each staff assigned to the contract must be sent to the MDOC-PMCD-CFA-LEINS@michigan.gov and

SCHEDULE A – STATEMENT OF WORK

CONTRACT ACTIVITIES

approved by MDOC prior to Contractor/subcontractor's personnel working with MDOC offenders and annually following approval. There is no cost associated with the LEIN. The LEIN form will be provided to the Contract awardee(s).

- J. The Contractor/subcontractor must document if a Contractor/subcontractor's personnel assigned to the Contract is related to or acquainted with an offender incarcerated and under the jurisdiction of the MDOC. For Contractor/subcontractor's personnel who are related to or acquainted with an offender, the Contractor/subcontractor's staff member must complete the Offender Contact Exception Request (CAJ-202) and submit it to the MDOC Program Manager or designee. The Contractor must ensure its personnel and subcontractor's personnel complete the form and notify the MDOC Program Manager of any changes throughout the contract term.
- K. If the Contractor/subcontractor's personnel will be required to enter State facilities, the State may require the Contractor/subcontractor's personnel to wear State-issued identification badges.
- L. The Contractor/subcontractor's personnel must anticipate delays when visiting any correctional facility due to issues within the facility.

3.5 Reserved.

4. Pricing

4.1. Price Term

- A. Pricing is firm for the initial base three-year term of the Contract. Adjustments may be requested, in writing, by either party during an option year and will be firm for 365 calendar days after the effective date of the price change.

4.2. The prices quoted are "F.O.B. Destination, within Government Premises" with transportation charges included in the unit price. The State will not pay any freight.

4.3. Cost Factors

SCHEDULE A – STATEMENT OF WORK

CONTRACT ACTIVITIES

The Contractor disclosed that the cost factors are as follows:

Direct material cost, including CR-39 plastic polycarbonate and high index	40%
Direct labor cost	20%
Manufacturing overhead	10%
Indirect costs (including shipping, sales, and administrative costs)	20%
Profit	10%

4.4. The Contractor disclosed that currently there are no tariffs on the product.

4.5. Price Changes

- A.** The State requires a 60 calendar day notice when possible of the Contractor’s intention to request a price change.
- B.** Adjustments will be based on changes in actual Contractor costs. Any request must be supported by written evidence documenting the change in costs. The State may consider sources, such as the Consumer Price Index; Producer Price Index; other pricing indices as needed; economic and industry data; manufacturer or supplier letters noting the increase in pricing; and any other data the State deems relevant.
- C.** Following the presentation of supporting documentation, both parties will have 30 calendar days to review the information and prepare a written response. If the review reveals no need for modifications, pricing will remain unchanged unless mutually agreed to by the parties. If the review reveals that changes are needed, both parties will negotiate such changes, for no longer than 30 calendar days, unless extended by mutual agreement.
- D.** The Contractor remains responsible for Contract Activities at the current price for all orders received before the mutual execution of a Change Notice indicating the start date of the new Pricing Period.

5. Ordering

5.1. Authorizing Document

SCHEDULE A – STATEMENT OF WORK

CONTRACT ACTIVITIES

The appropriate authorizing document for the Contract will be a DO release from the Contract. The Contractor is not authorized to begin performance until receipt of a DO.

5.2. Order Verification

The Contractor must have internal controls approved to verify abnormal orders and to ensure that only authorized individuals place orders.

6. Deliveries

6.1. Overages and Shortages and Backorders

- A. The State expects deliveries to be made complete without overages, shortages, or backorders in the time frame specified. In the event that the Contractor is unable to meet these requirements, the Contractor must contact the MDOC Program Manager and Contract Manager as soon as the Contractor is aware the delivery will be late or incomplete. Acceptance of a partial or late delivery does not exempt the Contractor from the delivery terms of this contract. See Attachment A. Service Level Agreement (SLA).
- B. The Contractor must notify the MDOC Program Manager and Contract Manager by email in advance of any overages or shortages.
- C. In the event the Contractor is unable to provide the product in the contracted time frame, the State reserves the right to purchase the items from other sources.
- D. **Overages**
MDOC will not pay for overages in excess of 5% of each product quantity ordered. At the Contractor's discretion, they may either arrange for the overage to be picked up within 10 business days, or allow MDOC to keep the overage at no charge.
- E. **Shortages**
The Contractor must ensure every delivery is within an acceptable range (at least 95% of the quantity ordered) to be considered complete. Shortages of 5% or less will be accepted. The Contractor may split orders as long as 95% of the MDOC Delivery Order is received within the delivery time frame. See Attachment A. Service Level Agreement (SLA).

SCHEDULE A – STATEMENT OF WORK

CONTRACT ACTIVITIES

F. Backorders

In the event that the contract items are on backorder, the State reserves the right to cancel all or part of the delivery order and purchase the items from other sources.

6.2. Delivery Times

Deliveries will be accepted Monday through Friday 8:30 am – 2:30 pm Eastern Time., excluding State of Michigan holidays. The State of Michigan holidays are: New Year's Day, Martin Luther King Jr. Day, President's Day, Memorial Day, Independence Day, Labor Day, General Election Day on even numbered years, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas eve, Christmas Day, and New Year's eve.

6.3. Delivery Address:

- A.** Deliveries will be made to the address on the Delivery Order.
- B.** The State reserves the right to add, delete, or change the delivery address(es).
- C.** The Contractor is responsible for delivering the product to the delivery location specified on the delivery order. Delivery to any other facility or warehouse will not be accepted unless approved by the MDOC Contract Administrator prior to delivery. Program Managers and factory staff do not have the authority to approve alternate delivery locations. The State reserves the right to require that delivery be made directly to the factory which is located inside a correctional facility.

6.4. Delivery Restrictions

- A.** The Contractor should be aware that there is a possibility of a delay at any of the correctional facilities which prohibits delivery carriers entering the facility at time of arrival. The State will not be responsible for any additional charges which may arise due to delivery delays caused by a mobilization or any other reason.
- B.** Weapons, alcoholic beverages, poison, animals, and prescription drugs and controlled substances without written certification of needs from a license physician (does not include medical supplies for the facility), cellular devices,

SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

cameras, and audio or visual recording devices are prohibited from being brought into all MDOC correctional facilities. Tobacco products and smoking also are prohibited both inside a correctional facility and on facility grounds except as specifically authorized by MDOC policy. Wardens may prohibit other items from being brought into their respective correctional facilities. Smoking is prohibited.

- C.** All vehicles entering an MDOC facility must be inspected before entry of the secure perimeter.
- D.** The MDOC reserves the right to deny access to any facility to any Contractor(s)/ subcontractor(s) staff members who fails to comply with any applicable State, Federal or local law, ordinance or regulation or whose presence may compromise the security of the facility, its members or staff.
- E.** Delivery drivers must obtain Law Enforcement Information Network (LEIN) clearance at least 48 hours prior to delivery by contacting 517-265-3900 ext. 2653310, Monday – Thursday, 7:30 AM - 1:30. Failure to pass L.E.I.N clearance or failure to provide the required information may result in the delivery driver being denied access to the correctional facility.

6.5. Delivery Programs

- A.** The Contractor provides standard delivery. Overnight or quick ship delivery are available for additional charge.
- B.** The Contractor will utilize UPS or FedEx for delivery.

6.6. Packaging and Palletizing

- A.** Reserved.
- B.** The Contractor must include a packing slip with each delivery. The packing slip must be written in English. The packing slip must include:
 - 1.** The Contractor's name,
 - 2.** Contract number called a Master Agreement (MA) in the state's software
 - 3.** DO number,
 - 4.** Ship date,

SCHEDULE A – STATEMENT OF WORK

CONTRACT ACTIVITIES

5. products shipped,
6. quantity shipped,
7. quantity on backorder,
8. delivery location and,
9. country of origin

7. Reserved.

8. Acceptance, Inspection and Testing

- 8.1.** Signing for the delivery does not constitute acceptance. Acceptance occurs when the State has verified the requested quantities are delivered in the requested time frame, product is verified to conform to the specifications of the contract, and the quantities are verified with the deliver order and shipper.
- 8.2.** Products received must meet the specifications of this contract. MDOC will not accept products that do not meet these specifications. Program Managers do not have the authority to accept products that do not meet the specifications or agree to alternate specifications or products.
- 8.3.** If delivered products do not meet the specifications of this contract or the proposed brand, MDOC is entitled to 100% refund of costs, regardless of whether the products have been used or not.
- 8.4.** Refunds must not be limited to return time frames or warranties set by the Contractor. MDOC may return any quantities for full refund of costs or replacement products at the discretion of MDOC. Deficiencies in the deliverables are determined solely at the discretion of the State.

9. Invoice and Payment

9.1. Invoice Requirements

- A.** All invoices submitted to the State must include:
1. date,
 2. MA number,
 3. DO number,
 4. quantity,
 5. product description,
 6. unit of measurement as stated on the Contract,

SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

7. unit price and
8. total price.

- B.** Invoices should be received by MDOC within 30 calendar days of delivery of goods. Receipt of invoice is the date MDOC receives a complete and correct invoice.
- C.** Invoices may be emailed to MDOCAP@michigan.gov. Questions and concerns regarding payment may also be emailed to MDOCAP@michigan.gov.
- D.** Payment terms are stated in the Notice of Contract

9.2. Payment Method

The State will make payment for Contract Activities via Electronic Funds Transfer (EFT). The Contractor is required to register to receive payments by EFT <http://www.michigan.gov/SIGMAVSS>.

10. Contract Monitor/Manager. The MDOC has developed a contract monitoring unit known as the Procurement, Monitoring, and Compliance Division (PMCD). This unit has oversight for the Department's contracts and ensures that the Contractor is delivering services according to the contract requirements. The Contract Monitor or designee will serve as the lead for all contract related issues, and will lead in facilitating kickoff meetings, determining service level agreements, overseeing the transition timeline and working with the MDOC program staff to ensure the contractual requirements are being met. A contract monitor will be assigned to monitor the Contract(s), and as part of his or her role they will conduct regular monitoring of all Contract related activities.

11. Service Level Agreement (SLA) Refer to Attachment

11.1. The Contractor will be held accountable to meet the requirements and the service level requirements established in this Contract.

12. Additional Requirements

12.1. Environmental and Energy Efficient Product

The Contractor has disclosed that it does not use environmental and energy efficient products at this time. If the Contract provides energy efficient products in the future, the Contractor must provide certifications to the State if requested.

SCHEDULE A – STATEMENT OF WORK

CONTRACT ACTIVITIES

12.2. Hazardous Chemical Identification

The Contractor has disclosed that there are no hazardous chemicals in the product.

If there are any changes that affect the hazardous chemical identification, the Contractor must notify the Contract Administrator, Contract Manager, and Program Manager by email and identify any hazardous chemicals that will be provided or applied to the commodity furnished under the contract prior to shipping the product.

12.3. Mercury Content

Pursuant to MCL 18.1261d, mercury-free products must be procured when possible.

The Contractor has disclosed that the products are mercury free.

If there are any changes that affect the mercury content, the Contractor must notify the Contract Administrator, Contract Manager, and Program Manager by email and must explain the amount or concentration of mercury, and whether cost competitive alternatives exist. If cost competitive alternatives do not exist, the Contractor must provide justification as to why the particular product is essential.

12.4. Brominated Flame Retardants

The Contractor disclosed that the products do not contain Brominated Flame Retardants.

If there are any changes that affect BFR content, the Contractor must notify the Contract Administrator, Contract Manager, and Program Manager by email and must disclose the BFRs contents.

**Contract 21000000442
Optical Lenses**

LINE #	BRAND	DESCRIPTION	UNIT	UNIT PRICE
1	Essilor	Optical lenses, semi-finished, first quality hard resin CR-39, tintable, standard thickness, lens diameter 65 mm-80mm sizes outside this range will not be accepted, front base curves may vary +/- 0.50 diopters from the listed request. plano nominal front base curve +2.50 nominal front base curve +4.50 nominal front base curve	PAIR	\$1.74
2	Essilor	Optical lens, finished, single vision, hard resin CR-39, spheres, first quality, standard dress wear thickness, 65mm - 80mm sizes outside this range will not be accepted, tintable, power range plano to plus or minus 6.00 in 0.25 diopter increments. including plano.	PAIR	\$1.94
3	Essilor	Optical lens, finished, single vision, hard resin CR-39, compound cylinder, first quality, standard dress thickness 65mm - 80mm sizes outside this range will not be accepted, tintable, power range sphere +4.00 to -6.00 with up to a 2.00 diopter cylinder all in 0.25 increments.	PAIR	\$1.94
4	Essilor	Optical lens, semi-finished, flat top D 28mm bifocal, hard resin CR-39 65mm – 80mm sizes outside this range will not be accepted, standard thickness, front base curve as listed may vary by plus 0.50 diopters. adds to increase in 0.25 diopter increments, tintable. plano base to +3.00 add +2.50 base to +4.00 add +4.25 base to +4.00 add +6.25 base to +4.00 add +8.50 base to +4.00 add +10.50base to +4.00 add	PAIR	\$1.80
5	Zeiss	Optical lens, finished, single vision polycarbonate industrial thickness to ANSI Z87.1 standards, spheres, first quality, 65mm -80mm sizes outside this range will not be accepted, tintable, power range from +3.00 to -6.00 including plano in 0.25 diopter increments, hard resin CR-39.	PAIR	\$3.28

6	Zeiss	Optical lens, finished single vision, polycarbonate industrial thickness to ANSI Z87.1 standards, compound cylinder, power range sphere +4.00 to -5.00 with 2.00 diopter cylinder all in 0.25 diopter increment combinations, 65mm - 80mm sizes outside this range will not be accepted, tintable.	PAIR	\$3.28
7	Essilor	Optical lens, semi-finished, polycarbonate, flat top 28, all available bases, +1.00 - +3.00 add, plano, 65mm - 80mm sizes outside this range will not be accepted.	PAIR	\$3.58
8	Essilor	Optical lens, semi-finished, plastic, flat top 7x28, all available bases and add powers, 65mm – 80mm sizes outside this range will not be accepted.	PAIR	\$4.42
9	Essilor	Optical lens, semi-finished and finished, plastic, single vision, transitions, cr-39, 65mm - 80mm sizes outside this range will not be accepted	PAIR	\$16.12
10	Zeiss	Optical lens, semi-finished, plastic, flat top 28, PhotoFusion all available bases and adds, CR-39, 65mm – 80mm sizes outside this range will not be accepted.	PAIR	\$30.50
11	Zeiss	Optical lens, semi-finished, plastic, flat top 7x28, PhotoFusion all available bases and adds, CR-39, 65mm – 80mm sizes outside this range will not be accepted.	PAIR	\$32.30
12	Essilor	Optical lens, semi-finished, single vision, polycarbonate, all available bases, standard thickness, plano, 65mm - 80mm sizes outside this range will not be accepted	PAIR	\$3.22
13	Essilor	Optical lens, finished, single vision, polarized gray A and C, plastic, CR-39, 65mm – 80mm sizes outside this range will not be accepted.	PAIR	\$15.38
14	Essilor	Optical lens, finished, single vision, plastic, polarized light brown, CR-39, 65mm - 80mm sizes outside this range will not be accepted.	PAIR	\$16.48
15	Zeiss	Optical lens, finished, single vision dress polycarbonate, spheres, first quality, 65mm - 80mm sizes outside this range will not be accepted, tintable, power range from +4.00 to -6.00 including plano in 0.25 diopter increments, hard resin cr-39.	PAIR	\$2.86
16	Zeiss	Optical lens, finished single vision, dress polycarbonate, compound cylinder, power range sphere +4.00 to -5.00 with 2.00 diopter cylinder all in 0.25 diopter increment combinations, 65mm - 80mm sizes outside this range will not be accepted, tintable.	PAIR	\$2.86



Agency/Vendor: PDS Consultants Inc.
Contract #: 210000000442 – Optical Lenses
Effective Date: January 29, 2021

Metric 1: Delivery Time Frame
Definition and Purpose:
<ol style="list-style-type: none"> 1. The State requires that deliveries be made within 14 calendar days from receipt of order. The receipt of order date is pursuant to Section 2, Service Levels, of the Statement of Work 2. The Contractor must submit its Delivery Date, via email, within two business days of receipt of the order to the Program Manager and Contract Monitor.
Data Sources:
<ol style="list-style-type: none"> 1. Monthly Order and Delivery Reports provided by the Contractor. 2. Internal MDOC data from SIGMA (The State of Michigan’s accounting application). 3. Internal MDOC data from Global Shop Solutions (Michigan State Industries’ Enterprise Resource Planning application). 4. Correspondence with Michigan State Industries staff. 5. Delivery correspondence from Contractor. 6. Written pre-approval correspondence of a late delivery from MDOC Program Manager.
Methodology:
Reconcile and review Data Sources 1-6 as needed.
Acceptable Standard:
The Acceptable Standard is 100% compliance.
Amount for Failing to Meet Service Level Agreement:
<p>Deliveries are due within 14 business days from receipt. Deliveries after the 15th business day are considered late. 1% of the Delivery Order total will be assessed on calendar day 10 and every business day thereafter until the delivery is completed up to 95%. If the MDOC Program Manager provides a written pre-approval of a late delivery, the Service Credit does not apply.</p> <p>Extenuating circumstances will be reviewed by the MDOC Contract Manager before any Service Credits are assessed. At the discretion of the State, these credits may be applied toward any payable due to the Contractor or be payable directly to the State of Michigan. Payments made directly to the State of Michigan shall be completed within 10 calendar days upon demand.</p>

Metric 2: Reporting

Definition and Purpose:

The Contractor must ensure an accurate Monthly Order and Delivery Report is delivered via email to the MDOC within 15 calendar days from the close of the previous month.

Data Sources:

1. Monthly Order and Delivery Reports provided by the Contractor.
2. Correspondence with MSI Staff.

Methodology:

Reconcile Data Sources 1 and 2 as needed.

Acceptable Standard:

The Acceptable Standard is 100% compliance.

Amount for Failing to Meet Service Level Agreement:

Reports must be received within 15 calendar days of the close of the previous month. \$100.00 will be assessed on the 16th day and every 5 business days thereafter until the reports are received by the MDOC.

Extenuating circumstances will be reviewed by the MDOC Contract Manager before any Service Credits are assessed. At the discretion of the State, these credits may be applied toward any payable due to the Contractor or be payable directly to the State of Michigan. Payments made directly to the State of Michigan shall be completed within 10 calendar days upon demand.

Metric 3: Shortages

Definition and Purpose:

The Contractor must ensure every delivery is within an acceptable range (at least 95% of the quantity ordered) to be considered complete. Shortages of 5% or less will be accepted.

The Contractor may split orders as long as 95% of the MDOC Delivery Order is received within the delivery time frame.

Data Sources:

1. Monthly Order and Delivery Reports provided by the Contractor.
2. Correspondence with MSI Staff.
3. Pre-Approval email from MDOC Program Manager

Methodology:

Reconcile Data Sources 1, 2, and 3 as needed.

Acceptable Standard:

The Acceptable Standard is 100% compliance.

Amount for Failing to Meet Service Level Agreement:

If the deliveries are not 95% complete, the MDOC will pay for the amount received after deducting 2% of the total Delivery Order amount. If the MDOC Program Manager provides a written pre-approval of the shortages, the Service Credit does not apply.

Extenuating circumstances will be reviewed by the MDOC Contract Manager before any Service Credits are assessed. At the discretion of the State, these credits may be applied toward any payable due to the Contractor or be payable directly to the State of Michigan. Payments made directly to the State of Michigan shall be completed within 10 calendar days upon demand.