



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

CONTRACT CHANGE NOTICE

Change Notice Number **1**
 to
 Contract Number **MA250000000088**

CONTRACTOR	Pyramid Solutions Inc.
	30200 Telegraph Road, Suite 440
	Bingham Farms MI 48025
	Marty Gulewicz
	586-925-3461 x650
	MGulewicz@pyramidsolutions.com
	CV0034705

STATE	Program Manager	Various	Various
	Contract Administrator	Robin Lampert	DTMB
		517-582-2746	
		LampertR1@michigan.gov	

CONTRACT SUMMARY

Contract, Agreement & Payment Process (CAPP) system			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
November 1, 2024	October 31, 2029	5 - 1 Year	October 31, 2029
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45			
ALTERNATE PAYMENT OPTIONS		EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (PRC) <input type="checkbox"/> Other		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS			

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>	0 Years	
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$4,672,960.00		\$675,000.00	\$5,347,960.00	

DESCRIPTION

Effective November 5, 2025, this Contract is increased by \$675,000.00 for MDOT use per the attached Statement of Work. 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 November 4, 2025.

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

AGENCY	NAME	PHONE	EMAIL
DTMB	Jeffrey LaBean	517-243-1743	LabeanJ@michigan.gov
MDOT	Nicole Wolf		WolfN@michigan.gov

STATEMENT OF WORK - IT CHANGE NOTICE

Project Title: Contract, Agreement & Payment Process (CAPP) System Modifications	Period of Coverage: 8/1/2025 thru completion
Requesting Department: Michigan Department of Transportation – Bureau of Finance and Administration	Date: 7/14/2025
Agency Program Manager: Nicole Wolf	Phone: 517-930-7826
DTMB Program Manager: Jeffrey LaBean	Phone: 517-243-1743

Brief description of services to be provided:

BACKGROUND:

Requirements and workflow design and validation meetings started soon after the contract effective date, and it became apparent the level of complexity based on the high-level requirements included in the RFP and this contract were greater than initially understood and anticipated. As the meetings progressed and the level of detail needed was realized, both the State and Contractor acknowledged the increased effort and time needed to adequately capture and validate business requirements, processes, workflows, data models, system designs, and integrations.

MDOT has also relied heavily on manual processes and physical documentation, including multiple spreadsheets and forms, to supplement their existing business processes and use of the CTRAK and AMS systems. While the Contractor anticipated some continued reliance on these documents, MDOT wants to remove those dependencies and incorporate all business process functionality and workflows within the single SaaS solution.

Due to the increased scale and complexity identified, the contract is being updated to include necessary modifications to the cost and project schedule, including the Milestones and Deliverables Payment Schedule. The total cost increase is \$675,000.

PROJECT OBJECTIVE:

The primary objective of the modifications detailed in this Statement of Work are to ensure the cost and schedule are updated, specifically the Milestones/Deliverables table, the Payment Schedule, and the Project Plan, to provide adequate time to accurately capture and validate detailed business requirements, and subsequent design, development, configuration, migration, and testing, and similarly to account for increased costs as a result. While the requirements are largely unchanged, the scale of the details required to ensure the vendor has completely captured the necessary information to implement a solution that fully meets the State’s needs had to be

reviewed. The Contractor will still provide the State with a fully managed SaaS Contractor hosted solution that meets all MDOT requirements previously identified, incorporating necessary changes or additions where needed, such as the number of required system integrations, while removing MDOT's document and spreadsheet dependencies to the extent required.

SCOPE OF WORK:

The scope of work is largely unchanged, with the bulk of the schedule and cost changes occurring within the existing Project Management and Requirements and Design Validation Milestones.

TASKS:

There are no changes to the contract as it relates to TASKS, therefore no additional technical support is required to be noted under this change.

DELIVERABLES:

Deliverables will not be considered complete until the Agency Project Manager has formally accepted them. These Milestones and Deliverables replace those from the original contract, 24. Project Management, Milestones/Deliverables for Implementation, starting with "Project Management – Ongoing" through "Beginning of Maintenance". "Project Management – Initiation & Planning" and "Infrastructure Activities/Provision Environments" have already been completed.

Updates to the Milestones and Deliverables for this project include:

1. Project Management – Initiation & Planning – COMPLETED
 - a. Project Plan (PMM-0102)
 - b. Project Kickoff
2. Infrastructure Activities/Provision Environments – COMPLETED
 - a. Provision DEV Environment
 - b. Provision QA Environment
 - c. Provision PROD Environment
3. Project Management
 - a. Updated Project Plan
 - b. Test Strategy (SEM-0600)
 - c. Training Plan (SEM-0703)
4. Requirements – Vendor
5. Requirements – Scope
6. Requirements – Contracting
7. Requirements – Integrations/Migrations (includes up to 25 integrations)

- a. For each Requirements Milestone, 4 through 7, this primarily accounts for the increased time needed to accurately capture detailed requirements for each of the modules, as well as the number of required integrations and amount of data to migrate.
 - b. Here, the Contractor will begin building the Requirements Traceability Matrix (SEM-0401) to ensure each approved requirement is identified, designed into the solution, verified as met/tested, and available in implementation.
 - c. The Contractor will review and validate all gathered requirements under each Requirements Milestone above and provide the State with Business Requirements documents for sign-off and approval.
8. Design Validation – Vendor
 9. Design Validation – Scope
 10. Design Validation - Contracting
 11. Design Validation – Integrations/Migrations
 - a. For each Design Validation Milestone, 8 through 11, this primarily accounts for the increased time needed to accurately validate the requirements and subsequent workflow designs for each of the modules and the integrations and data migration.
 - b. Here, the Contractor will continue updating the Requirements Traceability Matrix (SEM-0401), as noted in Requirements above, to validate designs against requirements; to be reviewed with the State for approval to proceed.
 - c. Sign-off and approval of the Design Validations, including process workflows, are included in the Business Requirements documents noted under Requirements.
 - d. Functional Design Doc (SEM-0501)
 - e. System Design Doc (SEM-0604)
 12. Development and Configuration of Software
 - a. MiLogin/SSO Integration
 - b. Initial demos for each module (Vendor, Scope, Contracting), as well as corrections made based on State feedback
 - c. Additional demos and corrections, as requested by the State
 - d. Component level testing
 - e. Integration Development
 - f. Change Management Plan
 13. Data Migration
 - a. Data Dictionary and Data Conversion Plan (SEM-0601)
 - b. Development of Unit Test scripts to Import & Export data

- c. Validate Import & Export scripts
 - d. Additional script corrections and data migration tests, as needed
 - e. Develop Web Service integrations to external (outbound) systems
 - f. Integration testing and corrections, as requested by the State
14. State of Michigan Digital Standards and Security Accreditation
- a. Complete State Digital Standards and ADA Compliance review and remediation
 - b. Complete State Security Accreditation Process (MiSAP)
 - c. Achieve Authority to Operate (ATO)
15. Testing and Acceptance
- a. Provide Final Test Results Report
 - b. Final Requirements Traceability Matrix (SEM-0401) to validate each requirement has been met and tested.
 - c. Support the State with all facets of User Acceptance Testing (UAT)
 - i. Provide detailed Test Cases that include inputs, preconditions, execution steps, and expected outcomes, to validate software functionality or behavior.
 - ii. Provide additional demos as requested by the State prior to or during UAT.
 - d. Deliver User Training Manuals
 - e. Deliver Business User Training
 - f. Deliver Administrative Vendor Training
 - g. Final Acceptance, UAT sign-off
16. Production Rollout – Go-Live
- a. Includes a 90-day warranty period
17. Post Go-Live Beginning of Maintenance

ACCEPTANCE CRITERIA:

There are no changes to the contract as it relates to ACCEPTANCE CRITERIA

PROJECT CONTROL AND REPORTS:

There are no changes to the contract as it relates to PROJECT CONTROL & REPORTS, therefore no additional technical support is required to be noted under this change.

SPECIFIC DEPARTMENT STANDARDS:

There are no specific Agency standards to note.

PAYMENT SCHEDULE:

Payment will be made on a **Satisfactory acceptance of each Milestone** basis. DTMB will pay CONTRACTOR upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued purchase order (DOIT1) not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date and must be approved by the Agency and DTMB Project Manager prior to payment. The invoices shall describe and document to the State’s satisfaction a description of the work performed, the progress of the project, and fees. When expenses are invoiced, receipts will need to be provided along with a detailed breakdown of each type of expense.

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

#	Milestone	Estimated Due Date	Invoice Amount
1	Project Management – Initiation & Planning	COMPLETE	\$35,000
2	Infrastructure Activities/Provision Environments	COMPLETE	\$50,000
3	Project Management	Change Notice Execution + 2 weeks	\$125,000
4	Requirements – Vendor * The State will pay fifty percent (50%) of the milestone payment upon acceptance of fifty percent (50%) or more of the associated deliverables. The remaining balance will be payable upon full completion and acceptance of all deliverables under the milestone.	Project Management + 4 weeks	\$103,000
5	Requirements – Scope * The State will pay fifty percent (50%) of the milestone payment upon acceptance of fifty percent (50%) or more of the associated deliverables. The remaining balance will be payable upon full completion and acceptance of all deliverables under the milestone.	Project Management + 6 weeks	\$103,000

6	<p>Requirements – Contracting</p> <p>* The State will pay fifty percent (50%) of the milestone payment upon acceptance of fifty percent (50%) or more of the associated deliverables. The remaining balance will be payable upon full completion and acceptance of all deliverables under the milestone.</p>	Project Management + 8 weeks	\$103,000
7	<p>Requirements – Integrations/Migrations</p> <p>* This includes up to 25 integrations; any number greater will cost \$15,000 additional for each.</p>	Project Management + 12 weeks	\$30,000
8	Design Validation – Vendor	Requirements – Vendor + 4 weeks	\$75,000
9	Design Validation – Scope	Requirements – Scope + 4 weeks	\$75,000
10	Design Validation – Contracting	Requirements – Contracting + 4 weeks	\$75,000
11	Design Validation – Integrations/Migrations	Requirements – Integrations/Migrations + 4 weeks	\$25,000
12	Development and Configuration of Software	Change Notice Execution + 7 months	\$350,000
13	Data Migration	Development and Configuration of Software + 2 months	\$150,000
14	State of Michigan Digital Standards and Security Accreditation	Development and Configuration of Software + 2 months	\$25,000

15	Testing and Acceptance	Data Migration + 3 months	\$50,000
16	Production Rollout – Go-Live * To Be Determined based on timing of all preceding milestones. MDOT’s preference is to avoid fiscal year end activities and to ensure all internal and external user training is completed.	Testing and Acceptance + 1 month *	\$50,000
17	Post Go-Live Beginning of Maintenance	Production Rollout + Post-Production Warranty	\$21,460
TOTAL			\$1,445,460

EXPENSES:

The State will NOT pay for any travel expenses, including hotel, mileage, meals, parking, etc.

PROJECT CONTACTS:

The designated Agency Program Manager is:

Nicole Wolf
 Michigan Department of Transportation
 Bureau of Finance and Administration
 Van Wagoner Building, 4th Floor
 425 W Ottawa St
 Lansing, MI 48933
 517-930-7826
wolfn@michigan.gov

The designated DTMB Program Manager is:

Jeffrey LaBean
 Department of Technology, Management & Budget
 Agency Services supporting MDOT
 Van Wagoner, 3rd Floor
 425 W Ottawa St
 Lansing, MI 48933
 517-243-1743
labeanj@michigan.gov

AGENCY RESPONSIBILITIES:

Complete User Acceptance Testing; review and approve deliverables and submitted invoices.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:

Consultants will work remotely at their work location. No work is required to be done on site at MDOT. This does not change any existing contractual requirements within Schedule A – Statement of Work, 22. Meetings.



STATE OF MICHIGAN PROCUREMENT
 Department Technology, Management and Budget

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **25000000088**

between

THE STATE OF MICHIGAN

and

CONTRACTOR	Pyramid Solutions Inc.
	30200 Telegraph Road, Suite 440
	Bingham Farms Michigan 48025
	Marty Gulewicz
	586-925-3461 x650
	MGulewicz@pyramidsolutions.com
	CV0034705

STATE	Program Manager	Multiple	Multiple
STATE	Contract Administrator	Robin Lampert	DTMB
		517-582-2746	
		LampertR1@michigan.gov	

CONTRACT SUMMARY			
DESCRIPTION: Contract, Agreement & Payment Process (CAPP) system			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
11/1/2024	10/31/2029	5 - 1 Year	10/31/2029
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card	<input type="checkbox"/> Payment Request (PRC)	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
This is not an order. This Contract Agreement is awarded on the basis of the State's solicitation RFP 240000001416. Orders for Delivery will be issued directly by the Departments through the issuance of a Delivery Order (DOIT1).			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION		<u>\$4,672,960.00</u>	

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

AGENCY	NAME	PHONE	EMAIL
DTMB	Jeffrey LaBean	517-243-1743	LabeanJ@michigan.gov
MDOT	Nicole Wolf		WolfN@michigan.gov

FOR THE CONTRACTOR:

Company Name

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Name and Title

Agency

Date

SOFTWARE CONTRACT TERMS AND CONDITIONS

These Terms and Conditions, together with all Schedules (including the Statement(s) of Work), Exhibits and any other applicable attachments or addenda (Collectively this “Contract”) are agreed to between the State of Michigan (the “**State**”) and Pyramid Solutions (“**Contractor**”), a Michigan Corporation. This Contract is effective on November 1, 2024 (“**Effective Date**”), and unless terminated, will expire on October 31, 2029 (the “**Term**”).

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

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

“**Acceptance**” has the meaning set forth in **Section 9**.

“**Acceptance Tests**” means such tests as may be conducted in as described in **Section 9** and any applicable Statement of Work to determine whether the Software meets the requirements of this Contract and the Documentation.

“**Access**” means (1) the ability and means to enter a restricted or locked area, room, or physical container containing State Data; or (2) the ability and means to communicate with or otherwise interact with a system, to use system resources to handle information, to gain the information or knowledge of the information the system contains, or to control system components and functions (including physical or technical controls, or having the ability to modify or bypass any or all security controls).

“**Affiliate**” of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, the term “control” (including the terms “controlled by” and “under common control with”) means the direct or indirect ownership of more than fifty percent (50%) of the voting securities of a Person.

“**Allegedly Infringing Materials**” has the meaning set forth in **Section 18**.

“**Authorized Users**” means all employees of the State authorized by the State to access and use the Software under this Contract, subject to the maximum number of users specified in the applicable Statement of Work.

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

“**Business Requirements Specification**” means the initial specification setting forth the State’s business requirements regarding the features and functionality of the Software, as set forth in a Statement of Work.

“**Change Notice**” means a writing executed by the parties to the Contract memorializing a change to the Contract.

“**Change Proposal**” has the meaning set forth in Subsection 2.2.

“**Change Request**” has the meaning set forth in Subsection 2.2.

“**Confidential Information**” has the meaning set forth in Subsection 22.1.

“**Configuration**” means State-specific changes made to the Software without Source Code or structural data model changes occurring.

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

“**Contract Change**” has the meaning set forth in Subsection 2.2.

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

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

“**Contractor’s Bid Response**” means the Contractor’s proposal submitted in response to the Solicitation.

“**Contractor Hosted**” means the Hosted Services and the Operating Environment are provided by Contractor or one or more of its Permitted Subcontractors.

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

“**Contractor Project Manager**” means the individual appointed by Contractor and identified in Schedule A or subsequent Change Notices to serve as the primary contact, to monitor and coordinate the day-to-day activities of this Contract, and to perform other duties as may be further defined in this Contract, including an applicable Statement of Work.

“**Customization**” means State-specific changes to the Software's underlying Source Code or structural data model changes.

“**Deliverables**” means the Software, Documentation, and all other documents and other materials that Contractor is required to or otherwise does provide to the State under this Contract and otherwise in connection with any Services, including all items specifically identified as Deliverables in a Statement of Work and all Work Product.

“**Deposit Material**” refers to material required to be deposited pursuant to **Section 28**.

“**Digital Accessibility Standards**” means the accessibility standards provided in the SOM Digital Standards, located at <https://www.michigan.gov/standards>.

“**Disaster Recovery Plan**” refers to the set(s) of documents, instructions, and procedures which enable the Contractor to respond to accidents, disasters, emergencies, or threats without any stoppage or hindrance in its key operations and to the actions the Contractor takes to meet the Recovery Point and Recovery Time Objectives.

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

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

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

“**Fees**” means the fees set forth in the Pricing Schedule attached as **Schedule B**.

“**Financial Audit Period**” has the meaning set forth in Subsection 23.1.

“**Harmful Code**” means any software, hardware or other technologies, devices or means, the purpose or effect of which is to: (a) permit unauthorized access to, or to destroy, disrupt, disable, encrypt, modify, copy, or otherwise harm or impede in any manner, any (i) computer, software, firmware, data, hardware, system or network, or (ii) any application or function of any of the foregoing or the integrity, use or operation of any data Processed thereby; or (b) prevent the State or any Authorized User from accessing or using the Solution as intended by this Contract, and includes any virus, bug, trojan horse, worm, backdoor or other malicious computer code and any time bomb or drop dead device.

“**Hosted Services**” means the hosting, management and operation of the: Operating Environment, Software, other services (including support and subcontracted services), and related resources for access and use by the State and its Authorized Users, including any services and facilities related to disaster recovery obligations.

“**Implementation Plan**” means the schedule included in a Statement of Work setting forth the sequence of events for the performance of Services under a Statement of Work, including the Milestones and Milestone Dates.

“**Integration Testing**” has the meaning set forth in Section 9.

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

“**Key Personnel**” means any Contractor Personnel identified as key personnel in the Contract.

“**Loss or Losses**” means all losses, including but not limited to, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs or expenses of whatever kind, including reasonable attorneys' fees and the costs of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers.

“**Maintenance Release**” means any update, upgrade, release or other adaptation or modification of the Software, including any updated Documentation, that Contractor may generally provide to its licensees from time to time during the Term, which may contain, among other things, error corrections, enhancements, improvements or other changes to the user interface, functionality, compatibility, capabilities, performance, efficiency or quality of the Software.

“**Milestone**” means an event or task described in the Implementation Plan under a Statement of Work that must be completed by the corresponding Milestone Date.

“**Milestone Date**” means the date by which a particular Milestone must be completed as set forth in the Implementation Plan under a Statement of Work.

“**New Version**” means any new version of the Software, including any updated Documentation, that the Contractor may from time to time introduce and market generally as a distinct licensed product, as may be indicated by Contractor's designation of a new version number.

“**Nonconformity**” or “**Nonconformities**” means any failure or failures of a Deliverable, to conform to the requirements of this Contract.

“**Offshore Resources**” mean resources, including Contractor Personnel, outside of the United States or its territories.

“**Open Source Components**” means any software component that is subject to any open-source copyright license agreement, including any GNU General Public License or GNU Library or Lesser Public License, or other obligation, restriction or license agreement that substantially conforms to the Open Source Definition as prescribed by the Open Source Initiative or otherwise may require disclosure or licensing to any third party of any source code with which such software component is used or compiled.

“**Operating Environment**” means, collectively, the platform, environment and conditions on, in or under which the Software is intended to be installed and operate, as set forth in a Statement of Work, including such structural, functional and other features, conditions and components as hardware, operating software, system architecture, configuration, computing hardware, ancillary equipment, networking, software, firmware, databases, data, and electronic systems (including database management systems).

“**PAT**” Means a document or product accessibility template, including any Information Technology Industry Council Voluntary Product Accessibility Template or VPAT®, that specifies how information and software products, such as websites, applications, software and associated content, conform to the Digital Accessibility Standards.

“**Permitted Subcontractor**” means any third party hired by Contractor to perform Services for the State under this Contract or that will have Access to or have the ability to control access to State Data or both.

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

“**Pricing Schedule**” means the schedule attached as **Schedule B**.

“**Process**” means to perform any operation or set of operations on any data, information, material, work, expression or other content, including to (a) collect, receive, input, upload, download, record, reproduce, store, organize, combine, log, catalog, cross-reference, manage, maintain, copy, adapt, alter, translate or make other improvements or derivative works, (b) process, retrieve, output, consult, use, disseminate, transmit, submit, post, transfer, disclose or otherwise provide or make available, or (c) block, erase or destroy. “**Processing**” and “**Processed**” have correlative meanings.

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

“**Services**” means any of the services, including but not limited to, Hosted Services, installation, configuration, implementation, and/or Support Services, that the Contractor is required to or otherwise does provide under this Contract.

“**Service Level Agreement**” means the schedule attached as **Schedule D**, setting forth the Support Services Contractor will provide to the State, and the parties' additional rights and obligations with respect thereto.

“**Site**” means any physical location(s) designated by the State in, or in accordance with, this Contract or a Statement of Work for delivery and installation of the Deliverable, if applicable.

“**Software**” means Contractor’s software as set forth in a Statement of Work, and any Third-Party Components, Maintenance Releases or New Versions provided to the State and any Customizations or Configurations made by or for the State pursuant to this Contract, and all copies of the foregoing permitted under this Contract. If Contractor Hosted, Software includes Contractor’s Operating Environment.

“**Solicitation**” means the State’s request to solicit responses for a Solution under this Contract.

“**Solution**” means Deliverables and Services singularly or in any combination thereof, as applicable, set forth in a Statement of Work.

“**Source Code**” means the human readable source code of the Software to which it relates, in the programming language in which the Software was written, together with all related flow charts and technical documentation, including a description of the procedure for generating object code, all of a level sufficient to enable a programmer reasonably fluent in such programming language to understand, build, operate, support, maintain and develop modifications, upgrades, updates, adaptations, enhancements, new versions and other derivative works and improvements of, and to develop computer programs compatible with, the Software.

“**Specifications**” means, for the Software, the specifications collectively set forth in the Business Requirements Specification, Technical Specification, Documentation, Solicitation or Contractor’s Bid Response, if any, for such Software, or elsewhere in a Statement of Work.

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

“**State Data**” has the meaning set forth in **Section 21**.

“**State Materials**” means all materials and information, including but not limited to documents, data, know-how, ideas, methodologies, specifications, software, hardware, content and technology, in any form or media, directly or indirectly provided or made available to Contractor by or on behalf of the State in connection with this Contract.

“**State Program Managers**” are the individuals appointed by the State, or their designees, to (a) monitor and coordinate the day-to-day activities of this Contract; (b) co-sign off on Acceptance of the Deliverables; and (c) perform other duties as may be specified in a Statement of Work. Program Managers will be identified in Schedule A or subsequent Change Notices.

“**State Systems**” means the information technology infrastructure, including the computers, software, databases, electronic systems (including database management systems) and networks, of the State or any of its designees.

“**Statement of Work**” means any statement of work entered into by the parties and incorporated into this Contract. The initial Statement of Work is attached as **Schedule A**.

“**Stop Work Order**” has the meaning set forth in **Section 15**.

“**Support Services**” means the maintenance and support services Contractor is required to or otherwise does provide to the State under the Service Level Agreement.

“**Technical Specification**” means, with respect to any Software, the document setting forth the technical specifications for such Software and included in a Statement of Work.

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

“**Testing Period**” has the meaning set forth in **Section 9**.

“**Third-Party Components**” means all components, including Open-Source Components, that are included in or used in connection with the Software and are specifically identified by Contractor in the Contractor’s Software Bill of Materials, in an applicable Statement of Work or elsewhere in this Contract, or as otherwise required by this Contract, including without limitation as part of the State’s Security Accreditation Process defined in Schedule E – Data Security Requirements.

“**Transition Period**” has the meaning set forth in **Section 16**.

“**Transition Responsibilities**” has the meaning set forth in Section 16.

“**Unauthorized Removal**” has the meaning set forth in Subsection 2.5.

“**Unauthorized Removal Credit**” has the meaning set forth in Subsection 2.5.

“**User Data**” means all data, queries, prompts, information and other content of any type and in any format, medium or form, whether audio, visual, digital, screen, GUI or other, that is input, uploaded to, placed into or collected, stored, Processed, generated or output by any user, device, system or network by or on behalf of the State, including but not limited to any and all works, inventions, data, analyses, information that identifies State or State’s intended users’ devices or equipment, location information, or other information and materials resulting from any use of the Software by or on behalf of the State’s intended users under this Contract, even if not input by a user. User Data does not include any data in the possession of or collected by Contractor prior to or independently of the performance of the Services or any use of the Software under this Contract.

“**Warranty Period**” means the 90 calendar-day period commencing on the date of the State's Acceptance of the Software for which Support Services are provided free of charge.

“**Work Product**” means everything made or created by Contractor specifically and solely for the State and which is not generally available to Contractor’s other customers, that Contractor is required to, or otherwise does, provide to the State under this Contract including but not limited to Customizations, application programming interfaces, computer scripts, macros, user interfaces, reports, project management documents, forms, templates, and other State-specific documents and related materials together with all ideas, concepts, processes, and methodologies developed in connection with this Contract whether or not embodied in this Contract.

2. Duties of Contractor. Contractor will provide the Solution pursuant to Statement(s) of Work entered into under this Contract. Contractor will provide the Solution in a timely, professional manner and in accordance with the terms, conditions, and Specifications set forth in this Contract and the Statement(s) of Work.

2.1 Statement of Work Requirements. No Statement of Work will be effective unless signed by each party’s Contract Administrator. The term of each Statement of Work will commence on the parties' full execution of a Statement of Work and terminate when the parties have fully performed their obligations. The terms and conditions of this Contract will

always apply to any Statements of Work entered by the parties and incorporated into this Contract. The State will have the right to terminate such Statement of Work as set forth in **Section 16**. Contractor acknowledges that time is of the essence with respect to Contractor's obligations under each Statement of Work and agrees that prompt and timely performance of all such obligations in accordance with this Contract and the Statements of Work (including the Implementation Plan and all Milestone Dates) is strictly required.

2.2 Change Control Process. The State may at any time request in writing (each, a "**Change Request**") changes to the Contract, including without limitation changes to the Solution or adding a new Statement of Work (each, a "**Contract Change**"). Upon the State's submission of a Change Request, the parties will evaluate and implement all Contract Changes in accordance with this Section.

(a) As soon as reasonably practicable, and in any case within 20 Business Days following receipt of a Change Request, Contractor will provide the State with a written proposal for implementing the requested Contract Change ("**Change Proposal**"), setting forth:

(i) a written description of the proposed Contract Changes to any part of the Solution.

(ii) an amended Implementation Plan reflecting: (A) the schedule for commencing and completing any addition or modification to the Solution; and (B) the effect of such Contract Changes, if any, on completing any other Services under a Statement of Work.

(iii) any additional State Resources Contractor deems necessary to carry out such Contract Changes; and

(iv) any increase or decrease in Fees resulting from the proposed Contract Changes, which increase, or decrease will reflect only the increase or decrease in time and expenses Contractor requires to carry out the Contract Change.

(b) Within 30 Business Days following the State's receipt of a Change Proposal, the State will by written notice to Contractor, approve, reject, or propose modifications to such Change Proposal. If the State proposes modifications, Contractor must modify and re-deliver the Change Proposal reflecting such modifications, or notify the State of any disagreement, in which event the parties will negotiate in good faith to resolve their disagreement. Upon the State's approval of the Change Proposal or the parties' agreement on all proposed modifications each parties' Contractor Administrator will sign a Change Notice.

(c) However, if the parties fail to enter a Change Notice within 15 Business Days following the State's response to a Change Proposal, the State may, in its discretion:

(i) require Contractor to perform or provide the Solution under the existing Statement of Work without the Contract Change.

(ii) require Contractor to continue to negotiate a Change Notice;

(iii) initiate a Dispute Resolution Procedure; or

(iv) notwithstanding any provision to the contrary in a Statement of Work, terminate this Contract under **Subsection 16.1**.

(d) No Contract Change will be effective until the parties have executed a Change Notice. Notwithstanding the foregoing, no Change Notice executed after the Effective Date will be construed to amend or modify this Contract in any way, unless it specifically states its intent to do so and cites the section or sections amended. Except as the State may request in its Change Request or otherwise in writing, Contractor must continue to perform its obligations in accordance with a Statement of Work pending negotiation and execution of a Change Notice. Contractor will use its best efforts to limit any delays or Fee increases from any Contract Change to those necessary to perform the Contract Change in accordance with the applicable Change Notice. Each party is responsible for its own costs and expenses of preparing, evaluating, negotiating, and otherwise processing any Change Request, Change Proposal, and Change Notice.

(e) The performance of any functions, activities, tasks, obligations, roles and responsibilities comprising the Solution as described in this Contract are considered part of the Solution and, thus, will not be considered a Contract Change. This includes the delivery of all Deliverables in accordance with their respective Specifications, and the diagnosis and correction of Nonconformities discovered in Deliverables prior to their Acceptance by the State or, subsequent to their Acceptance by the State, as necessary for Contractor to fulfill its associated warranty requirements and its Support Services under this Contract.

(f) Contractor may, on its own initiative and at its own expense, prepare and submit its own Change Request to the State. However, the State will be under no obligation to approve or otherwise respond to a Change Request initiated by Contractor.

2.3 Contractor Personnel.

(a) Contractor is solely responsible for all Contractor Personnel and for the payment of their compensation, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits.

(b) Prior to any Contractor Personnel performing any Services, Contractor will:

(i) ensure that such Contractor Personnel have the legal right to work in the United States;

(ii) upon request, require such Contractor Personnel to execute written agreements, in form and substance acceptable to the State, that bind such Contractor Personnel to confidentiality provisions that are at least as protective of the State's information (including all Confidential Information) as those contained in this Contract; and

(iii) upon request, or as otherwise specified in a Statement of Work, perform background checks on all Contractor Personnel prior to their assignment. The scope is at the discretion of the State and documentation must be

provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks. 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.

(c) Contractor and all Contractor Personnel will comply with all rules, regulations, and policies of the State that are communicated to Contractor in writing, including security procedures concerning systems and data and remote access, building security procedures, including the restriction of access by the State to certain areas of its premises or systems, and general health and safety practices and procedures.

(d) The State reserves the right to require the removal of any Contractor Personnel found, in the judgment of the State, to be unacceptable. The State's request must be written with reasonable detail outlining the reasons for the removal request. Replacement personnel for the removed person must be fully qualified for the position. If the State exercises this right, and Contractor cannot immediately replace the removed personnel, the State agrees to negotiate an equitable adjustment in schedule or other terms that may be affected by the State's required removal.

2.4 Contractor Project Manager. Throughout the Term of this Contract, Contractor must maintain a Contractor employee acceptable to the State to serve as Contractor Project Manager, who will be considered Key Personnel of Contractor.

(a) Contractor Project Manager must:

- (i) have the requisite authority, and necessary skill, experience, and qualifications, to perform in such capacity;
- (ii) be responsible for overall management and supervision of Contractor's performance under this Contract; and
- (iii) be the State's primary point of contact for communications with respect to this Contract, including with respect to giving and receiving all day-to-day approvals and consents.

(b) Contractor Project Manager must attend all regularly scheduled meetings as set forth in the Implementation Plan and will otherwise be available as set forth in a Statement of Work.

(c) Contractor will maintain the same Contractor Project Manager throughout the Term of this Contract, unless:



(i) the State requests in writing the removal of Contractor Project Manager;
or

(ii) the State consents in writing to any removal requested by Contractor in writing; or

(iii) the Contractor Project Manager ceases to be employed by Contractor, whether by resignation, involuntary termination or otherwise.

(d) Upon the occurrence of any event set forth in **Subsections 2.4(c)(i-iii)** above, Contractor will promptly replace its Contractor Project Manager. Such replacement will be subject to the State's prior written approval.

2.5 Contractor's Key Personnel.

(a) The State has the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, introduce the individual to the State Program Managers or their designees, and provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection.

(b) Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("**Unauthorized Removal**"). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel's employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract.

(c) It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to determine and remedy 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 16**, Contractor will issue to the State an amount equal to \$25,000 per individual (each, an "**Unauthorized Removal Credit**").

(d) Contractor acknowledges and agrees that each of the Unauthorized Removal Credits assessed under **Subsection 2.5(c)** above: (i) is a reasonable estimate of and compensation for the anticipated or actual harm to the State that may arise from the Unauthorized Removal, which would be impossible or very difficult to accurately estimate; and (ii) may, at the State's option, be credited or set off against any Fees or other charges payable to Contractor under this Contract.

2.6 **Subcontractors.** Contractor must obtain prior written approval of the State, which consent may be given or withheld in the State’s sole discretion, before engaging any Permitted Subcontractor to provide Services to the State under this Contract. Engagement of any subcontractor or Permitted Subcontractor by Contractor does not relieve Contractor of its representations, warranties or obligations under this Contract. Without limiting the foregoing, Contractor will:

- (a) be responsible and liable for the acts and omissions of each such subcontractor (including such Permitted Subcontractor and Permitted Subcontractor's employees who, to the extent providing the Solution, will be deemed Contractor Personnel) to the same extent as if such acts or omissions were by Contractor or its employees.
- (b) be responsible for all fees and expenses payable to, by or on behalf of each subcontractor and Permitted Subcontractor in connection with this Contract, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits; and
- (c) notify the State of the location of the Permitted Subcontractor and indicate if it is located within the United States.

3. 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 received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

If to State:	If to Contractor:
Robin Lampert PO Box 30026 Lansing, MI 48909 Lampetr1@michigan.gov 517-582-2746	Pyramid Solutions 30200 Telegraph Road, Suite 440 Bingham Farms, MI 48025 mgulewicz@pyramidsolutions.com 248-686-5800

4. Insurance. Contractor must maintain the minimum insurances identified in the Insurance Schedule attached as **Schedule C**.

5. Terms of Use of the Software.

5.1 Subscription.

- (a) During the Term and such additional periods, if any, the State may:
 - (i) access and use the Software, including in operation with other software, hardware, systems, networks and services, for the State’s governmental purposes, including for Processing State Data;
 - (ii) generate, print, copy, upload, download, store and otherwise Process all GUI, audio, visual, digital and other output, displays and other content as may result from any access to or use of the Software;

(iii) prepare, reproduce, print, download and use a reasonable number of copies of the Specifications and Documentation for any use of the Software under this Contract; and

(iv) access and use the Software for all such non-production uses and applications as may be necessary or useful for the effective use of the Software hereunder, including for purposes of analysis, development, configuration, integration, testing, training, maintenance, support and repair, which access and use will be without charge and not included for any purpose in any calculation of the State's or its Authorized Users' use of the Software, including for purposes of assessing any Fees or other consideration payable to Contractor or determining any excess use of the Software as described in **Subsection 5.4** below.

5.2 Restrictions. The State will not: (a) rent, lease, lend, sell, sublicense, assign, distribute, publish, transfer or otherwise make the Software available to any third party, except as expressly permitted by this Contract or in any Statement of Work; or (b) use or authorize the use of the Software or Documentation in any manner or for any purpose that is unlawful under applicable Law.

5.3 Fees. The State will pay Contractor the corresponding Fees set forth in a Statement of Work or Pricing Schedule for all Authorized Users access and use of the Software. Such Fees will be Contractor's sole and exclusive remedy for use of the Software, including any excess use.

5.4 Certification. To the extent that a License granted to the State is not unlimited, Contractor may request written certification from the State regarding use of the Software for the sole purpose of verifying compliance with this **Section**. Such written certification may occur no more than once in any 24 month period during the Term of the Contract. The State will respond to any such request within 45 calendar days of receipt. If the State's use is greater than contracted, Contractor may invoice the State for any unlicensed use (and related support) pursuant to the terms of this Contract at the rates set forth in **Schedule B**, and the unpaid license and support fees shall be payable in accordance with the terms of the Contract. Payment under this provision shall be Contractor's sole and exclusive remedy to cure these issues.

5.5 State License Grant to Contractor. The State hereby grants to Contractor a limited, non-exclusive, non-transferable license (i) to use the State's (or individual agency's, department's or division's) name, trademarks, service marks or logos, solely in accordance with the State's specifications, and (ii) to display, reproduce, distribute and transmit in digital form the State's (or individual agency's, department's or division's) name, trademarks, service marks or logos in connection with promotion of the Services as communicated to Contractor by the State. Use of the State's (or individual agency's, department's or division's) name, trademarks, service marks or logos will be specified in the applicable Statement of Work. Contractor is provided a limited license to State Materials for the sole and exclusive purpose of providing the Services.

6. Third-Party Components. At least 30 days prior to adding new third-party components, Contractor will provide the State with notification information identifying and describing the addition. Throughout the Term, on an annual basis, Contractor will provide updated information

identifying and describing any third-party components included in the Software. Contractor is responsible for ensuring that all Third-Party Components are properly licensed for the State's use.

7. Intellectual Property Rights

7.1 Ownership Rights in Software

- (a) For purposes of this **Section 7** only, the term "Software" does not include Customizations.
- (b) Subject to the rights and licenses granted by Contractor in this Contract and the provisions of **Subsection 7.1(c)**:
 - (i) Contractor reserves and retains its entire right, title and interest in and to all Intellectual Property Rights arising out of or relating to the Software; and
 - (ii) none of the State or Authorized Users acquire any ownership of Intellectual Property Rights in or to the Software or Documentation because of this Contract.
- (c) As between the State, on the one hand, and Contractor, on the other hand, the State has, reserves and retains, sole and exclusive ownership of all right, title and interest in and to State Materials, User Data, including all Intellectual Property Rights arising therefrom or relating thereto.

7.2 The State is and will be the sole and exclusive owner of all right, title, and interest in and to all Work Product developed exclusively for the State under this Contract, including all Intellectual Property Rights. In furtherance of the foregoing:

- (a) Contractor will create all Work Product as work made for hire as defined in Section 101 of the Copyright Act of 1976; and
- (b) to the extent any Work Product, or Intellectual Property Rights do not qualify as, or otherwise fails to be, work made for hire, Contractor hereby:
 - (i) assigns, transfers, and otherwise conveys to the State, irrevocably and in perpetuity, throughout the universe, all right, title, and interest in and to such Work Product, including all Intellectual Property Rights; and
 - (ii) irrevocably waives all claims Contractor may now or hereafter have in any jurisdiction to so-called "moral rights" or rights of *droit moral* with respect to the Work Product.

8. Software Implementation.

8.1 Implementation. Contractor will as applicable; deliver, install, configure, integrate, and otherwise provide and make fully operational the Software on or prior to the applicable Milestone Date in accordance with the criteria set forth in a Statement of Work and the Implementation Plan.

8.2 Site Preparation. Unless otherwise set forth in a Statement of Work, Contractor is responsible for ensuring the relevant Operating Environment is set up and in working order to allow Contractor to deliver and install the Software on or prior to the applicable Milestone Date. Contractor will provide the State with such notice as is specified in a Statement of Work, prior to delivery of the Software to give the State sufficient time to

prepare for Contractor's delivery and installation of the Software. If the State is responsible for Site preparation, Contractor will provide such assistance as the State requests to complete such preparation on a timely basis.

9. Software Acceptance Testing.

9.1 Acceptance Testing.

(a) Unless otherwise specified in a Statement of Work, upon installation of the Software, or in the case of Contractor Hosted Software, when Contractor notifies the State in writing that the Solution is ready for use, Acceptance Tests will be conducted as set forth in this **Section 9** to ensure the Software conforms to the requirements of this Contract, including the applicable Specifications and Documentation.

(b) All Acceptance Tests will take place at the designated Site(s) in the Operating Environment described in a Statement of Work, commence on the Business Day following installation of the Software, or the receipt by the State of the notification referenced in **Subsection 9.1(a)**, and be conducted diligently for up to 30 Business Days, or such other period as may be set forth in a Statement of Work (the "**Testing Period**"). Acceptance Tests will be conducted by the party responsible as set forth in a Statement of Work or, if a Statement of Work does not specify, the State, provided that:

(i) for Acceptance Tests conducted by the State, if requested by the State, Contractor will make suitable Contractor Personnel available to observe or participate in such Acceptance Tests; and

(ii) for Acceptance Tests conducted by Contractor, the State has the right to observe or participate in all or any part of such Acceptance Tests.

9.2 Contractor is solely responsible for all costs and expenses related to Contractor's performance of, participation in, and observation of Acceptance Testing.

(a) Upon delivery and installation of any application programming interfaces, Configuration or Customizations, or any other applicable Work Product, to the Software under a Statement of Work, additional Acceptance Tests will be performed on the modified Software to ensure full operability, integration, and compatibility among all elements of the Software ("**Integration Testing**"). Integration Testing is subject to all procedural and other terms and conditions set forth in this **Section**.

(b) The State may suspend Acceptance Tests and the corresponding Testing Period by written notice to Contractor if the State discovers a material Nonconformity in the tested Software or part or feature of the Software. In such event, Contractor will immediately, and in any case within 10 Business Days, correct such Nonconformity, whereupon the Acceptance Tests and Testing Period will resume for the balance of the Testing Period.

9.3 Notices of Completion, Non-Conformities, and Acceptance. Within 15 Business Days following the completion of any Acceptance Tests, including any Integration Testing, the party responsible for conducting the tests will prepare and provide to the other party written

notice of the completion of the tests. Such notice must include a report describing in reasonable detail the tests conducted and the results of such tests, including any uncorrected Nonconformity in the tested Software.

(a) If such notice is provided by either party and identifies any Nonconformities, the parties' rights, remedies, and obligations will be as set forth in **Subsection 9.4** and **Subsection 9.5**.

(b) If such notice is provided by the State, is signed by the State Program Managers or their designees, and identifies no Nonconformities, such notice constitutes the State's Acceptance of such Software.

(c) If such notice is provided by Contractor and identifies no Non-Conformities, the State will have 30 Business Days to use the Software in the Operating Environment and determine, in the exercise of its sole discretion, whether it is satisfied that the Software contains no Nonconformities, on the completion of which the State will, as appropriate:

(i) notify Contractor in writing of Nonconformities the State has observed in the Software and of the State's non-acceptance thereof, whereupon the parties' rights, remedies and obligations will be as set forth in **Subsection 9.4** and **Subsection 9.5**; or

(ii) provide Contractor with a written notice of its Acceptance of such Software, which must be signed by the State Program Managers or their designees.

9.4 Failure of Acceptance Tests. If Acceptance Tests identify any Non-Conformities, Contractor, at Contractor's sole cost and expense, will remedy all such Nonconformities and re-deliver the Software, in accordance with the requirements set forth in the Contract. Redelivery will occur as promptly as commercially possible and, in any case, within 30 Business Days following, as applicable, Contractor's:

(a) completion of such Acceptance Tests, in the case of Acceptance Tests conducted by Contractor; or

(b) receipt of the State's notice under **Subsection 9. (a)** or **(c)(i)**, identifying any Nonconformities.

9.5 Repeated Failure of Acceptance Tests. If Acceptance Tests identify any Nonconformity in the Software after a second or subsequent delivery of the Software, or Contractor fails to re-deliver the Software on a timely basis, the State may, in its sole discretion, by written notice to Contractor:

(a) continue the process set forth in this **Section 9**.

(b) accept the Software as a nonconforming deliverable, in which case the Fees for such Software will be reduced equitably to reflect the value of the Software as received relative to the value of the Software had it conformed; or

(c) deem the failure to be a non-curable material breach of this Contract and a Statement of Work and terminate this Contract in accordance with **Section 16**.

9.6 Acceptance. Acceptance (“**Acceptance**”) of the Software (subject, where applicable, to the State’s right to Integration Testing) will occur on the date that is the earliest of the State’s delivery of a notice accepting the Software under **Subsection 9.3(b)**, or **(c)(ii)**.

10. Non-Software Acceptance.

10.1 All other non-Software Deliverables 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 the Statement of Work. If the non-Software Deliverables are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the non-Software Deliverables are accepted but noted deficiencies must be corrected; or (b) the non-Software Deliverables are rejected. If the State finds material deficiencies, it may: (i) reject the non-Software Deliverables without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with **Section 16**.

10.2 Within 10 Business Days from the date of Contractor’s receipt of notification of acceptance with deficiencies or rejection of any non-Software Deliverables, Contractor must cure, at no additional cost, the deficiency and deliver unequivocally acceptable non-Software Deliverables to the State. If acceptance with deficiencies or rejection of the non-Software Deliverables impacts the content or delivery of other non-completed non-Software Deliverables, 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.

10.3 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 provide the non-Software Deliverables and recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.

11. Assignment. Contractor may not assign this Contract or any of its rights or delegate any of its duties or obligations hereunder, voluntarily, or involuntarily, whether by merger (regardless of whether it is the surviving or disappearing entity), conversion, consolidation, dissolution, or operation of law to any other party without the prior written approval of the State. Upon notice to Contractor, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Contract to any other governmental entity if such assignment is made reasonably necessary by operation of controlling law or regulation. 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.

12. Change of Control. Contractor will notify the State, within 30 calendar days of any public announcement or otherwise once legally permitted to do so, 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 its obligations under this Contract.

13. Ordering, Invoices and Payment.

13.1 **Authorizing Document.** The document for the Contract will be a delivery order. No work should start until the delivery order is received by the Contractor.

13.2 **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 the Solution provided as specified in Statement(s) of Work. Invoices must include an itemized statement of all charges.

13.3 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 Deliverables. Contractor's acceptance of final payment by the State constitutes a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still disputed.

13.4 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.

13.5 **Right of Setoff.** 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.

13.6 **Taxes.** The State is exempt from federal excise tax, state, and local sales taxes, and use taxes if the Solution purchased under this Contract is for the State's exclusive use. Contractor will not include the collection of taxes for which the State is exempt in any invoices or payments related to this Contract. The State is not responsible for taxes imposed or assessed on Contractor.

13.7 **Pricing/Fee Changes.** Throughout the Term, all Pricing set forth in this Contract will be as set forth in **Schedule B – Pricing Schedule** and will not be increased, unless the State requires additional licenses, in which case the amount of fee per license the additional licenses will also remain fixed at the rates set forth in **Schedule B – Pricing Schedule**.

14. Liquidated Damages.

14.1 The parties understand and agree that any liquidated damages (which includes but is not limited to applicable credits) set forth in this Contract are reasonable estimates of the State's damages in accordance with applicable law.

14.2 The parties acknowledge and agree that Contractor could incur liquidated damages for more than one event.

14.3 The assessment of liquidated damages will not constitute a waiver or release of any other remedy the State may have under this Contract for Contractor's breach of this Contract, including without limitation, the State's right to terminate this Contract for cause and the State will be entitled in its discretion to recover actual damages caused by Contractor's failure to perform its obligations under this Contract. However, the State will reduce such actual damages by the amounts of liquidated damages received for the same events causing the actual damages.

14.4 Amounts due the State as liquidated damages may be set off against any Fees payable to Contractor under this Contract, or the State may bill Contractor as a separate item and Contractor will promptly make payments on such bills.

15. 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 activities that have been suspended, Contractor's lost profits, or any additional compensation during a stop work period.

16. Termination, Expiration, Transition. The State may terminate this Contract, the Support Services, or any Statement of Work, in accordance with the following:

16.1 Termination for Cause. In addition to any right of termination set forth elsewhere in this Contract:

- (a) The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State:
 - i) endangers the value, integrity, or security of State Systems, State Data, or the State's facilities or personnel.
 - (ii) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; or
 - (iii) breaches any of its material duties or obligations under this Contract. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.
- (b) If the State terminates this Contract under this **Subsection 16.1**, the State will issue a termination notice specifying whether Contractor must:

- (i) cease performance immediately. Contractor must submit all invoices for Services accepted by the State within 30 days of the date of termination. Failure to submit an invoice within that timeframe will constitute a waiver by Contractor for any amounts due to Contractor for Services accepted by the State under this Contract, or
- (ii) continue to perform for a specified period. If it is later determined that Contractor was not in breach of this 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 **Subsection 16.2**.

(c) The State will only pay for amounts due to Contractor for Services 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. Contractor must promptly reimburse to the State any Fees prepaid by the State prorated to the date of such termination, including any prepaid Fees. Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Services from other sources.

16.2 Termination for Convenience. The State may immediately terminate this Contract in whole or in part, without penalty and for any reason or no reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must:

- (a) cease performance immediately. Contractor must submit all invoices for Services accepted by the State within 30 days of the date of termination. No refunds will be provided to the State for any pre-paid licensing fees. Failure to submit an invoice within that timeframe will constitute a waiver by Contractor for any amounts due to Contractor for Services accepted by the State under this Contract, or
- (b) continue to perform in accordance with **Subsection 16.3**. 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 to the extent the funds are available.

16.3 Transition Responsibilities.

(a) Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 180 calendar days; the "**Transition Period**"), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract to continue without interruption or adverse effect, and to facilitate the orderly transfer of the Services to the State or its designees. Such transition assistance may include but is not limited to:

- (i) continuing to perform the Services at the established Contract rates.

(ii) taking all reasonable and necessary measures to transition performance of the work, including all applicable Services to the State or the State's designee.

(iii) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, and comply with **Section 22**, including without limitation, the return or destruction of State Data at the conclusion of the Transition Period; and

(iv) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, the "**Transition Responsibilities**"). The Term of this Contract is automatically extended through the end of the Transition Period.

(b) Contractor will follow the transition plan attached as **Schedule G** as it pertains to both transition in and transition out activities.

17. Indemnification

17.1 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 third-party 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; and

(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).

17.2 Indemnification Procedure. 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:

(a) regular updates on proceeding status.

(b) participate in the defense of the proceeding.

(c) employ its own counsel; and to

(d) retain control of the defense, at its own cost and expense, if the State deems necessary. Contractor will not, without the State's prior 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. Any litigation activity on behalf of the State or any of its subdivisions 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.

17.3 The State is constitutionally prohibited from indemnifying Contractor or any third parties.

18. Infringement Remedies.

18.1 The remedies set forth in this Section are in addition to, and not in lieu of, all other remedies that may be available to the State under this Contract or otherwise, including the State's right to be indemnified for such actions.

18.2 If any Deliverable, or any component thereof, other than State Materials, is found to be infringing or if any use of any Software or any component thereof is enjoined, threatened to be enjoined or otherwise the subject of an infringement claim, Contractor must, at Contractor's sole cost and expense:

- (a) procure for the State the right to continue to use such Deliverable, or component thereof to the full extent contemplated by this Contract; or
- (b) modify or replace the materials that infringe or are alleged to infringe ("**Allegedly Infringing Materials**") to make the Deliverable and all its components non-infringing while providing fully equivalent features and functionality.

18.3 If neither of the foregoing is possible notwithstanding Contractor's best efforts, then Contractor may direct the State to cease any use of any materials that have been enjoined or finally adjudicated as infringing, if Contractor will:

- (a) refund to the State all amounts paid by the State in respect of such Allegedly Infringing Materials and any other aspects of the Deliverable provided under a Statement of Work for the Allegedly Infringing Materials that the State cannot reasonably use as intended under this Contract; and
- (b) in any case, at its sole cost and expense, secure the right for the State to continue using the Allegedly Infringing Materials for a transition period of up to 6 months to allow the State to replace the affected features of the Deliverable without disruption.

18.4 If Contractor directs the State to cease using any Deliverable under **Subsection 18.3**, the State, at its sole discretion, will be entitled to declare such a direction from the Contractor to cease use a material breach of the Contract and may terminate this Contract under **Section 16**. Unless the claim arose against the Deliverable independently of any of the actions specified below, Contractor will have no liability for any claim of infringement arising solely from:

- (a) Contractor's compliance with any designs, specifications, or instructions of the State; or
- (b) modification of the Deliverable by the State without the prior knowledge and approval of Contractor.

19. Disclaimer of Damages and Limitation of Liability.

19.1 Disclaimer of Damages. NEITHER PARTY TO THIS CONTRACT WILL BE LIABLE, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS AND LOST BUSINESS OPPORTUNITIES.

19.2 The State's Limitation of Liability. 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 PAID UNDER THIS CONTRACT.

19.3 The Contractor's Limitation of Liability. IN NO EVENT WILL THE CONTRACTOR'S AGGREGATE LIABILITY TO THE STATE 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 RECEIVED BY THE CONTRACTOR UNDER THIS CONTRACT.

19.4 Exceptions. The above Limitation of Liability and Disclaimer of Damages above, will not apply to: (i) Contractor's obligation to indemnify under this Contract; and (ii) Contractor's obligations under Section 21 of this Contract (Loss or Compromise of State Data).

20. 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 Permitted Subcontractor, or an officer or director of Contractor or Permitted 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:
 - (i) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or
 - (ii) 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 to perform under this Contract.

21. State Data.

21.1 Ownership. The State's data ("**State Data**"), which will be treated by Contractor as Confidential Information, includes:

- (a) User Data.

(b) Work Product.

(c) all data made available to Contractor for or during the provision of the Solution, including but not limited to all text, sound, video, image files, or software; and

(d) any other data collected, used, Processed, stored, or generated in connection with the Solution, including but not limited to:

(i) personally identifiable information (“**PII**”) collected, used, Processed, stored, or generated as the result of the Solution, including, without limitation, any information that identifies an individual, such as an individual’s social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother’s maiden name, email address, credit card information, or an individual’s name in combination with any other of the elements here listed; and

(ii) protected health information (“**PHI**”) collected, used, Processed, stored, or generated as the result of the Solution, which is defined under the Health Insurance Portability and Accountability Act (“**HIPAA**”) and its related rules and regulations.

21.2 State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State.

21.3 Contractor Use of State Data. Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Solution, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Solution. Contractor must:

(a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss.

(b) use and disclose State Data solely and exclusively for the purpose of providing the Solution, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law.

(c) keep and maintain State Data in the United States or its territories. For the avoidance of doubt, Offshore Resources are not permitted under this Contract; and

(d) not use, sell, rent, transfer, mine, distribute, commercially exploit, or otherwise disclose or make available State Data for Contractor’s own purposes or for the benefit of anyone other than the State without the State’s prior written consent. Contractor’s misuse of State Data may violate state or federal laws, including but not limited to MCL 752.795

21.4 Third-Party Requests. Contractor will immediately notify the State upon receipt of any third-party requests which in any way might reasonably require Access to State Data. Contractor will notify the State Program Managers or their designees by the fastest means available and also in writing. Contractor must provide such notification within twenty-four (24) hours from Contractor’s receipt of the request. Contractor will not respond to subpoenas, service of process, FOIA requests, and other legal requests related to the State

without first notifying the State. Upon request by the State, Contractor must provide to the State, its proposed response to the third-party request with adequate time for the State to review, and, as it deems necessary, to revise the response, object, or take other action.

21.5 Loss or Compromise of Data. In the event of any act, error or omission, negligence, misconduct, or breach on the part of Contractor that compromises or is suspected to compromise the security, confidentiality, integrity, or availability of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor must, as applicable:

- (a) notify the State as soon as practicable but no later than 24 hours of becoming aware of such occurrence.
- (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State.
- (c) in the case of PII or PHI, at the State's sole election:
 - (i) with approval and assistance from the State, notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within 5 calendar days of the occurrence: or
 - (ii) reimburse the State for any costs in notifying the affected individuals.
- (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than 24 months following the date of notification to such individuals.
- (e) perform or take any other actions required to comply with applicable law as a result of the occurrence.
- (f) pay for any costs associated with the occurrence, including but not limited to any costs incurred by the State in investigating and resolving the occurrence, including reasonable attorney's fees associated with such investigation and resolution.
- (g) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence.
- (h) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and
 - (i) provide to the State a detailed plan within 10 calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above,

must comply with applicable law, be written in plain language, not be tangentially used for any solicitation purposes, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. The State will have the option to review and approve any notification sent to affected individuals prior to its delivery. Notification to any other party, including but not limited to public media outlets, must be reviewed and approved by the State in writing prior to its dissemination.

21.6 The parties agree that any damages arising out of a breach of the terms set forth in this **Section** are to be considered direct damages and not consequential damages.

22. Non-Disclosure of Confidential Information. The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties.

22.1 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). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.

22.2 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 the Contractor's subcontractor is permissible where:

- (a) the subcontractor is a Permitted Subcontractor.

(b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Permitted Subcontractor's responsibilities; and

(c) Contractor obligates the Permitted Subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any of the Contractor's and Permitted Subcontractor's Representatives may be required to execute a separate agreement to be bound by the provisions of this

Subsection 22.2.

22.3 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. Each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.

22.4 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.

22.5 Surrender of Confidential Information. Upon termination or expiration of this Contract or a Statement of Work, in whole or in part, each party must, within 5 Business Days from the date of termination or expiration, 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. Upon confirmation from the State, of receipt of all data, Contractor must permanently sanitize or destroy the State's Confidential Information, including State Data, from all media including backups using National Security Agency ("NSA") and/or National Institute of Standards and Technology ("NIST") (NIST Guide for Media Sanitization 800-88) data sanitization methods or as otherwise instructed by the State. If the State determines that the return of any Confidential Information is not feasible or necessary, Contractor must destroy the Confidential Information as specified above. The Contractor must certify the destruction of Confidential Information (including State Data) in writing within 5 Business Days from the date of confirmation from the State.

23. Records Maintenance, Inspection, Examination, and Audit.

23.1 Right of Audit. Pursuant to MCL 18.1470, 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 this Contract through the Term of this Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Financial Audit Period**"). If an audit, litigation, or other action involving the records is

initiated before the end of the Financial Audit Period, Contractor must retain the records until all issues are resolved.

23.2 Right of Inspection. Within 10 calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Services are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If 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 this Contract must be paid or refunded within 45 calendar days.

23.3 Application. This **Section 23** applies to Contractor, any Affiliate, and any Permitted Subcontractor that performs Services in connection with this Contract.

24. Support Services. Contractor will provide the State with the Support Services described in the Service Level Agreement attached as **Schedule D** to this Contract. Such Support Services will be provided:

(a) Free of charge during the Warranty Period.

(b) Thereafter, for so long as the State elects to receive Support, in consideration of the State's payment of Fees for such services in accordance with the rates set forth in the Pricing Schedule.

25. Data Security Requirements. Throughout the Term and at all times in connection to the Solution, Contractor will maintain and enforce an information security program including safety and physical and technical security policies and procedures with respect to its Processing of the State's Confidential Information that comply with the requirements of the State's data security policies as set forth in **Schedule E** to this Contract.

26. Training. Contractor will provide, at no additional charge, training on the Solution provided hereunder in accordance with the times, locations and other terms set forth in a Statement of Work. Upon the State's request, Contractor will timely provide training for additional Authorized Users or other additional training on the Solution for which the State requests such training, at such reasonable times and locations and pursuant to such rates and other terms as are set forth in the Pricing Schedule.

27. Maintenance Releases; New Versions

27.1 Maintenance Releases. Provided that the State is current on its Fees, during the Term, Contractor will provide the State, at no additional charge, with all Maintenance Releases, each of which will constitute Software and be subject to the terms and conditions of this Contract.

27.2 New Versions. Provided that the State is current on its Fees, during the Term, Contractor will provide the State, at no additional charge, with all New Versions, each of which will constitute Software and be subject to the terms and conditions of this Contract.

27.3 Installation. The State has no obligation to install or use any Maintenance Release or New Versions. If the State wishes to install any Maintenance Release or New Version, the State will have the right to have such Maintenance Release or New Version installed, in the State's discretion, by Contractor or other authorized party as set forth in a Statement of

Work. Contractor will provide the State, at no additional charge, adequate Documentation for installation of the Maintenance Release or New Version, which has been developed and tested by Contractor and Accepted by the State. The State's decision not to install or implement a Maintenance Release or New Version of the Software will not affect its right to receive Support Services throughout the Term of this Contract.

27.4 Supported Third-Party and Open-Source Components. Contractor will utilize only currently supported versions of all Third-Party or Open-Source Components and will notify the State when not using the most recently published Third-Party and Open Source Components.

28. Source Code Escrow.

28.1 Escrow Contract. The parties may enter into a separate intellectual property escrow agreement. Such escrow agreement will govern all aspects of Source Code escrow and release. The cost of the escrow will be the sole responsibility of Contractor.

28.2 Deposit. Within 30 Business Days of the effective date of the escrow agreement, Contractor will deposit with the escrow agent, pursuant to the procedures of the escrow agreement, the Source Code for the Software, as well as the Documentation and names and contact information for each author or other creator of the Software. Promptly after release of any update, upgrade, patch, bug fix, enhancement, new version, or other revision to the Software, Contractor will deposit updated Source Code, documentation, names, and contact information with the escrow agent (all of which is collectively referred to herein as "**Deposit Material**").

28.3 Verification. At State's request and expense, the escrow agent may at any time verify the Deposit Material, including without limitation by compiling Source Code, comparing it to the Software, and reviewing the completeness and accuracy of all material. If the Deposit Material does not conform to the requirements of **Subsection 28.2** above:

- (a) Contractor will promptly deposit conforming Deposit Material; and
- (b) Contractor will pay the escrow agent for subsequent verification of the new Deposit Material. Any breach of the provisions of this **Section 28** will constitute material breach of this Contract, and no further payments will be due from the State until such breach is cured, in addition to any other remedies the State may have.

28.4 Deposit Material License. Contractor hereby grants the State a license to use, reproduce, and create derivative works from the Deposit Material, provided the State may not distribute or sublicense the Deposit Material or make any use of it whatsoever except for such internal or governmental uses as necessary to maintain and support the Software. Copies of the Deposit Material created or transferred pursuant to this Contract are licensed, not sold, and the State receives no title to or ownership of any copy or of the Deposit Material itself. The Deposit Material constitutes Confidential Information of Contractor pursuant to **Section 22** (Non-disclosure of Confidential Information) of this Contract (provided no provision of **Subsection 22.4** calling for return of Confidential Information before termination of this Contract will apply to the Deposit Material).

29. Contractor Representations and Warranties.

29.1 Authority. Contractor represents and warrants to the State that:

- (a) It is duly organized, validly existing, and in good standing as a corporation or other entity as represented under this Contract under the laws and regulations of its jurisdiction of incorporation, organization, or chartering.
- (b) It has the full right, power, and authority to enter into this Contract, and to perform its contractual obligations.
- (c) The execution of this Contract by its Representative has been duly authorized by all necessary organizational action; and
- (d) When executed and delivered by Contractor, this Contract will constitute the legal, valid, and binding obligation of Contractor, enforceable against Contractor in accordance with its terms.
- (e) 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.

29.2 Bid Response. Contractor represents and warrants to the State that:

- (a) 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 to the Solicitation; 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.
- (b) All written information furnished to the State by or for Contractor in connection with this Contract, including Contractor's Bid Response, 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.
- (c) Contractor 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 within the previous 5 years since Contractor failed to perform or otherwise breached an obligation of the contract; and
- (d) If any of the certifications, representations, or disclosures made in Contractor's Bid Response change after contract award, the Contractor is required to report those changes immediately to the Contract Administrator.

29.3 Software Representations and Warranties. Contractor further represents and warrants to the State that:

- (a) Contractor is the legal and beneficial owner of the entire right, title and interest in and to the Software, including all Intellectual Property Rights relating thereto or is the recipient of a valid license thereto, and that it has and will maintain the full power and authority to grant the Intellectual Property Rights to the Software or to use the Software in the Contract (i) without the further consent of any third party and (ii) without conditions or requirements not set forth in this Contract;

(b) Contractor has, and throughout the Term and any additional periods during which Contractor does or is required to perform the Services will have, the unconditional and irrevocable right, power and authority, including all permits and licenses required, to provide the Services and grant and perform all rights and licenses granted or required to be granted by it under this Contract;

(c) the Software, and the State's use thereof, is and throughout the license term will be free and clear of all encumbrances, liens and security interests of any kind.

(d) neither its grant of the license, nor its performance under this Contract does or to its knowledge will at any time:

(i) conflict with or violate any applicable law.

(ii) require the consent, approval or authorization of any governmental or regulatory authority or other third party; or

(iii) require the provision of any payment or other consideration to any third party.

(e) when used by the State or any Authorized User in accordance with this Contract the Solution as provided, delivered, or installed by Contractor does not or will not:

(i) infringe, misappropriate, or otherwise violate any Intellectual Property Right or other right of any third party; or

(ii) fail to comply with any applicable law.

(f) as provided by Contractor, the Solution does not and will not at any time during the Term contain any:

(i) Harmful Code; or

(ii) Third party or Open-Source Components or operate in such a way that it is developed or compiled with or linked to any third-party or Open Source Components, other than Approved Third-Party Components.

(g) all Documentation is and will be complete and accurate in all material respects when provided to the State such that at no time during the license term will the Software have any material undocumented feature; and

(h) Contractor will perform all Services in a timely, skillful, professional and workmanlike manner in accordance with commercially reasonable industry standards and practices for similar services, using personnel with the requisite skill, experience and qualifications, and will devote adequate resources to meet its obligations under this Contract.

(i) when used in the Operating Environment (or any successor thereto) in accordance with the Documentation, all Software as provided by Contractor, will be fully operable, meet all applicable specifications, and function in all respects, in conformity with this Contract and the Documentation.

(j) Contractor acknowledges that the State cannot indemnify any third parties, including but not limited to any third-party software providers that

provide software that will be incorporated in or otherwise used in conjunction with the Services, and that notwithstanding anything to the contrary contained in any third-party software license agreement or end user license agreement, the State will not indemnify any third-party software provider for any reason whatsoever;

(k) no Maintenance Release or New Version, when properly installed in accordance with this Contract, will have a material adverse effect on the functionality or operability of the Software.

(l) all Configurations or Customizations made during the Term will be forward-compatible with future Maintenance Releases or New Versions and be fully supported without additional costs.

(m) If Contractor Hosted:

(i) Contractor will not advertise through the Solution (whether with adware, banners, buttons or other forms of online advertising) or link to external web sites that are not approved in writing by the State.

(ii) the Solution will in all material respects conform to and perform in accordance with the Specifications and all requirements of this Contract, including the Availability and Availability Requirement provisions set forth in the Service Level Agreement.

(iii) all Specifications are, and will be continually updated and maintained so that they continue to be, current, complete and accurate and so that they do and will continue to fully describe the Solution in all material respects such that at no time during the Term or any additional periods during which Contractor does or is required to perform the Services will the Solution have any material undocumented feature;

(n) During the Term of this Contract, any audit rights contained in any third-party software license agreement or end user license agreement for third-party software incorporated in or otherwise used in conjunction with the Solution, will apply solely to Contractor or its Permitted Subcontractors. Regardless of anything to the contrary contained in any third-party software license agreement or end user license agreement, third-party software providers will have no audit rights whatsoever against State Systems or networks.

29.4 Work Product Representations and Warranties: Contractor further represents and warrants to the State that:

(a) Contractor has all necessary rights, title, and/or licenses required to create, develop, or generate Work Product and to transfer all ownership rights in Work Product to the State as set forth in Section 7.

(b) Contractor has verified that no third-party intellectual property has been incorporated into any Work Product created, developed, or generated by any nonhuman means used by Contractor.

29.5 Disclaimer. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN THIS CONTRACT, CONTRACTOR HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, WITH RESPECT TO THIS CONTRACT.

30. 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 including an offer of employment; 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 Permitted Subcontractor that provides the Solution in connection with this Contract.

31. Compliance with Laws. Contractor, its subcontractors, including Permitted Subcontractors, and their respective Representatives must comply with all laws in connection with this Contract.

32. Nondiscrimination. Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and Executive Directive 2019-09, Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, 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 the Contract.

33. Unfair Labor Practice. Under MCL 423.324, the State may void this Contract if the name of the Contractor, or the name of a subcontractor, manufacturer, or supplier of the Contractor, subsequently appears on the Unfair Labor Practice register compiled under MCL 423.322.

34. 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 the Michigan Court of Claims. Contractor waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint an agent in Michigan to receive service of process.

35. Non-Exclusivity. Nothing contained in this Contract is intended nor is to be construed as creating any requirements contract with Contractor, nor does it provide Contractor with a right of first refusal for any future work. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Services from other sources.

36. Force Majeure

36.1 Force Majeure Events. Neither party will be liable or responsible to the other party, or be deemed to have defaulted under or breached the Contract, for any failure or delay in fulfilling or performing any term hereof, when and to the extent such failure or delay is caused by: acts of God, flood, fire or explosion, war, terrorism, invasion, riot or other civil unrest, embargoes or blockades in effect on or after the date of the Contract, national or regional emergency, or any passage of law

or governmental order, rule, regulation or direction, or any action taken by a governmental or public authority, including imposing an embargo, export or import restriction, quota or other restriction or prohibition (each of the foregoing, a “**Force Majeure Event**”), in each case provided that: (a) such event is outside the reasonable control of the affected party; (b) the affected party gives prompt written notice to the other party, stating the period of time the occurrence is expected to continue; (c) the affected party uses diligent efforts to end the failure or delay and minimize the effects of such Force Majeure Event.

36.2 State Performance; Termination. In the event of a Force Majeure Event affecting Contractor’s performance under the Contract, the State may suspend its performance hereunder until such time as Contractor resumes performance. The State may terminate the Contract by written notice to Contractor if a Force Majeure Event affecting Contractor’s performance hereunder continues substantially uninterrupted for a period of 5 Business Days or more. Unless the State terminates the Contract pursuant to the preceding sentence, any date specifically designated for Contractor’s performance under the Contract will automatically be extended for a period up to the duration of the Force Majeure Event.

36.3 Exclusions; Non-suspended Obligations. Notwithstanding the foregoing or any other provisions of the Contract or this Schedule:

(a) in no event will any of the following be considered a Force Majeure Event:

(i) shutdowns, disruptions or malfunctions of the Solution or any of Contractor’s telecommunication or internet services other than as a result of general and widespread internet or telecommunications failures that are not limited to the Solution; or

(ii) the delay or failure of any Contractor Personnel to perform any obligation of Contractor hereunder unless such delay or failure to perform is itself by reason of a Force Majeure Event.

(b) no Force Majeure Event modifies or excuses Contractor’s obligations under **Section 21** (State Data), **22** (Non-Disclosure of Confidential Information), or **17** (Indemnification) of the Contract, Disaster Recovery and Backup requirements set forth in the Service Level Agreement, Availability Requirement (if Contractor Hosted) defined in the Service Level Agreement, or any data retention or security requirements under the Contract.

37. 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 decides that a temporary restraining order or

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

38. Media Releases. News releases (including promotional literature and commercial advertisements) pertaining to this Contract or project to which it relates must not be made without the prior written approval of the State, and then only in accordance with the explicit written instructions of the State.

39. 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.

40. Waiver. Failure to enforce any provision of this Contract will not constitute a waiver.

41. Survival. Any right, obligation, or condition that, by its express terms or nature and context is intended to survive, will survive the termination or expiration of this Contract; such rights, obligations, or conditions include, but are not limited to, those related to transition responsibilities; indemnification; disclaimer of damages and limitations of liability; State Data; non-disclosure of Confidential Information; representations and warranties; insurance and bankruptcy.

42. Administrative Fee and Reporting

Contractor must pay an administrative fee of 0.75% on all payments made to Contractor under the Contract including transactions with MiDEAL members, and other states (including governmental subdivisions and authorized entities). Administrative fee payments must be made online by check or credit card at: <https://www.thepayplace.com/mi/dtmb/adminfee>

43. 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.

44. Contract Modification. This Contract may not be amended or modified in any way, except by a properly signed **Change Notice**. Notwithstanding the foregoing, no subsequent Statement of Work or 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.

45. Accessibility Requirements.

45.1 All Software provided by Contractor under this Contract, including associated content and documentation, must at all times conform to the Digital Accessibility Standards. Throughout the Term of the Contract, Contractor must:

- (a) maintain compliance with the Digital Accessibility Standards;
- (b) comply with plans and timelines approved by the State to achieve conformance in the event of any deficiencies;
- (c) ensure that no Maintenance Release, New Version, update or patch, when properly installed in accordance with this Contract, will have any adverse effect on the conformance of Contractor's Software to the Digital Accessibility Standards;
- (d) promptly respond to and resolve any complaint the State receives regarding accessibility of Contractor's Software;
- (e) upon the State's written request, provide evidence of compliance with this Section by delivering to the State Contractor's most current PAT for each product provided under the Contract; and
- (f) participate in the State of Michigan Digital Standards Review described below.

45.2 State of Michigan Digital Standards Review.

Throughout the Term, Contractor must assist the State, at no additional cost, with development, completion, and on-going maintenance of an accessibility plan, which requires Contractor, upon request from the State, to submit evidence to the State to review and validate Contractor's accessibility and compliance with the Digital Accessibility Standards. Prior to the Solution going-live a State of Michigan Digital Standards Review is required, and Contractor must remediate all accessibility issues identified in such review at no additional cost.

Additional State of Michigan Digital Standards Reviews may be required thereafter on an annual basis, or as otherwise required by the State. At no additional cost, Contractor must remediate all issues identified from any such review pursuant to plans and timelines that are approved in writing by the State.

45.3 Contractor must, without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State arising out of its failure to comply with the foregoing accessibility standards.

45.4 Failure to comply with the requirements in this **Section 45** shall constitute a material breach of this Contract.

46. Further Assurances. Each party will, upon the reasonable request of the other party, execute such documents and perform such acts as may be necessary to give full effect to the terms of this Contract.

47. Relationship of the Parties. The relationship between the parties is that of independent contractors. 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. Neither party has authority to contract for nor bind the other party in any manner whatsoever.

48. Headings. The headings in this Contract are for reference only and do not affect the interpretation of this Contract.

49. No Third-Party Beneficiaries. This Contract is for the sole benefit of the parties and their respective successors and permitted assigns. Nothing herein, express or implied, is intended to or will confer on any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Contract. However, if this Contract is subject to the Michigan Prevailing Wage Act, MCL 408.1101 et seq. construction mechanics (as defined in MCL 408.1101 (b)) are intended beneficiaries for the limited purposes set forth and as required by MCL 408.1112.

50. Prevailing Wage Act Statutory Provision. As required by MCL 408.1112, if the Michigan Prevailing Wage Act, MCL 408.1101 et seq. applies to this Contract, construction mechanics (as defined in MCL 408.1101 (b)) are intended beneficiaries of the contractual prevailing wage, fringe benefit, and nondiscrimination nonretaliation requirements of the Contract. Any construction mechanic aggrieved by the failure of a Contractor or subcontractor to pay prevailing wages or benefits as specified in this Contract, or by a violation of MCL 408.1107, in addition to any other remedies provided in Public Act 10 of 2023 or by law, may bring an action in a court of competent jurisdiction against the Contractor or subcontractor for damages or injunctive relief and may be awarded reinstatement or other appropriate relief, and all damages sustained, together with actual costs and attorney fees at trial and on appeal.

51. Equitable Relief. Each party to this Contract acknowledges and agrees that (a) a breach or threatened breach by such party of any of its obligations under this Contract may give rise to irreparable harm to the other party for which monetary damages would not be an adequate remedy and (b) in the event of a breach or a threatened breach by such party of any such obligations, the other party hereto is, in addition to any and all other rights and remedies that may be available to such party at law, at equity or otherwise in respect of such breach, entitled to seek equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction, without any requirement to post a bond or other security, and without any requirement to prove actual damages or that monetary damages will not afford an adequate remedy, until or unless required by that court. Each party to this Contract agrees that such party will not oppose or otherwise challenge the appropriateness of equitable relief or the entry by a court of competent jurisdiction of an order granting equitable relief, in either case, consistent with the terms of this Section.

52. Effect of Contractor Bankruptcy. All rights and licenses granted by Contractor under this Contract are and will be deemed to be rights and licenses to “intellectual property,” and all Deliverables are and will be deemed to be “embodiments” of “intellectual property,” for purposes of, and as such terms are used in and interpreted under, Section 365(n) of the United States Bankruptcy Code (the “**Code**”). If Contractor or its estate becomes subject to any bankruptcy or similar proceeding, the State retains and has the right to fully exercise all rights, licenses, elections, and protections under this Contract, the Code and all other applicable bankruptcy, insolvency, and similar laws with respect to all Deliverables. Without limiting the generality of the foregoing, Contractor acknowledges and agrees that, if Contractor or its estate will become subject to any bankruptcy or similar proceeding:

- (a) all rights and licenses granted to the State under this Contract will continue subject to the terms and conditions of this Contract, and will not be affected, even by Contractor’s rejection of this Contract; and

(b) the State will be entitled to a complete duplicate of (or complete access to, as appropriate) all such intellectual property and embodiments of intellectual property comprising or relating to any Deliverables, and the same, if not already in the State's possession or in escrow, if applicable, will be promptly delivered to the State, unless Contractor elects to and does in fact continue to perform all of its obligations under this Contract.

53. Schedules. All Schedules 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 Schedule
Schedule C	Insurance Schedule
Schedule D	Service Level Agreement
Schedule E	Data Security Requirements
Schedule F	Disaster Recovery Plan
Schedule G	Transition Plan

54. Counterparts. This Contract may be executed in counterparts, each of which will be deemed an original, but all of which together are deemed to be one and the same agreement and will become effective and binding upon the parties as of the Effective Date at such time as all the signatories hereto have signed a counterpart of this Contract. A signed copy of this Contract delivered by facsimile, e-mail or other means of electronic transmission (to which a signed copy is attached) is deemed to have the same legal effect as delivery of an original signed copy of this Contract.

55. Entire Agreement. These Terms and Conditions, including all Statements of Work and other Schedules and Exhibits (again collectively the "Contract") constitutes the sole and entire agreement of the parties to this Contract with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, representations and warranties, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements made in the Terms and Conditions, the Schedules, Exhibits, and a Statement of Work, the following order of precedence governs: (a) first, these Terms and Conditions and (b) second, Schedule E – Data Security Requirements and (c) third, each Statement of Work; and (d) fourth, the remaining Exhibits and Schedules to this Contract. NO TERMS ON CONTRACTOR'S INVOICES, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE SERVICES, OR DOCUMENTATION HEREUNDER, EVEN IF ATTACHED TO STATE'S DELIVERY OR PURCHASE ORDER, WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE OR ANY AUTHORIZED USER FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE AND THE AUTHORIZED USER, EVEN IF ACCESS TO OR USE OF SUCH SERVICE OR DOCUMENTATION REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.

SCHEDULE A – STATEMENT OF WORK

1. DEFINITIONS

The following terms have the meanings set forth below. All initial capitalized terms that are not defined in this Schedule shall have the respective meanings given to them in Section 1 of the Contract Terms and Conditions.

Term	Definition
Agenda	A schedule of items which require formal approval by the State Administrative Board (SAB), Transportation and natural Resources Committee (T&NR) or MDOT Director’s Agenda.
AMS	Agreement Management Systems
Close Out of Contracts	All the MDOT contracts needs to be closed once the contract is over (Contract is either expired or terminated).
Components	Three groups of workflows: Vendor Management, RFP / Proposal Management, Contracts / Agreements Management.
CTRAK	Contract Tracking System
EAP	Estimated Account Payable. Annually MDOT closes their books on September 30 and to offer a little bit of lead time, they collect Estimated Amount from all their vendors for awarded contracts. Estimated Account Payable (EAP) amount is for work in progress and other amount for service that has not been rendered yet.
Facilities Capital Cost of Money (FCCM) Rate	Vendor specific rate which describes the cost of money as an element of the cost of facilities capital.
FCCM	Facilities Capital Cost of Money.
Field Choice Lists (aka Master List)	Lists that define the choices for fields and which can be updated by the State.
MDOT	Michigan Department of Transportation
Mentor / Protégé	Program to assist in sustaining and enhancing the capacity of small business consultants to successfully compete for new vendor-consultant procurement opportunities under the supervision of a Prequalified Mentor.
Non-Responsiveness	A proposal submitted by the vendor is considered Non-Responsive when it's not qualified for scoring.
OCA	Office of Commission Audit. Responsible for all audit functions within MDOT.
Offshore Resources	Resources residing outside of the United States, its territories or Canada.

Payment Technician	Team of individuals responsible for reviewing and approving invoices.
Project Authorization	The Project Authorization summarizes key project information, vendor information, and funding details.
Project Specific Agreement	Project Specific Agreements are between MDOT and Local Agency (City / County / Township). They are mainly used for cost participation and construction projects. LAP and Trunkline agreements can have multiple jobs associated with it. A Permit Agreement will have a permit associated with it.
SBP	Small Business Program.
SOM	State of Michigan
Task Codes	Codes that represent a specific task.
VRAM	Vendor, RFP, and Agreements Management
Workflow	Nineteen documented process steps taking a work activity from initiation to completion. The workflows are organized into 3 Components for implementation. Maintenance of Workflows will be the responsibility of the Contractor. The State may learn how and participate in the maintenance.

2. BACKGROUND

The Contractor will provide a single SaaS solution to replace two legacy systems, the Contract Tracking System (CTRAK) and the Agreement Management Systems (AMS).

CTRAK is being utilized by MDOT to track consultant contracts, agreements, from the time the Request for Proposal (RFP) is received until the contract is authorized. The legacy CTRAK system is presenting many challenges and no longer meets many of the business needs: no communication between system modules, no payment tracking against contracts, 30+ external manual spreadsheets are used to track required information that CTRAK does not track, heavy process dependency on manual email communication, lack of search capability, lack of ability to develop Ad-Hoc reports, slow system response times and frequent break-fix maintenance. Additionally, AMS, an application tracking the agreement review process and storing executed project specific agreements, is a legacy PowerBuilder application which needs modernization and migration to a supported platform to prevent potential failure after PowerBuilder is no longer supported.

Currently AMS cannot be accessed by internal SOM Agency partners or external MDOT partners and agreements are processed manually, received either via hard copy or electronic attachment to email, then scanned and uploaded to ProjectWise and to AMS once the agreement is executed. This duplicate data storage leads to potential errors in versions and inefficiencies in the process due to continuous manual effort.

3. PURPOSE

The Contractor will provide the State a fully managed SaaS Contractor Hosted Solution. The Contractor's Solution is configured on the Appian Platform that resides on the AWS FedRAMP environment.

4. IT ENVIRONMENT RESPOSIBILITIES

Definitions:

Facilities – Physical buildings containing Infrastructure and supporting services, including physical access security, power connectivity and generators, HVAC systems, communications connectivity access and safety systems such as fire suppression.

Infrastructure – Hardware, firmware, software, and networks, provided to develop, test, deliver, monitor, manage, and support IT services which are not included under Platform and Application.

Platform – Computing server software components including operating system (OS), middleware (e.g., Java runtime, .NET runtime, integration, etc.), database and other services to host applications.

Application – Software programs which provide functionality for end user and Contractor services.

Storage – Physical data storage devices, usually implemented using virtual partitioning, which store software and data for IT system operations.

Backup – Storage and services that provide online and offline redundant copies of software and data.

Development - Process of creating, testing and maintaining software components.

Component Matrix	Name all contractor(s) and/or subcontractor(s) including IT service providers for each contract component.
Facilities	Amazon Web Services (AWS)
Infrastructure	Appian Cloud on AWS FedRAMP
Platform	Appian Automation Platform
Application	Pyramid and Appian
Storage	Appian Cloud on AWS FedRAMP
Backup	Appian Cloud on AWS FedRAMP
Development	Pyramid

As SaaS providers, Pyramid, Appian, and Amazon will have access to State Data and will protect it in accordance with the Software Contract Terms and Conditions and Schedule E – Data Security Requirements.

5. ADA COMPLIANCE

The State is required to comply with the Americans with Disabilities Act of 1990 (ADA) and has adopted standards and procedures regarding accessibility requirements for websites and software applications. All websites, applications, software, and associated content and documentation provided by the Contractor as part of the Solution must comply with the Digital Accessibility Standards.

Contractor will maintain conformance with World Wide Web Consortium (W3C) Web Content Accessibility Guidelines (WCAG) 2.1 Level AA specifications by providing a completed Pat for the Solution. If the Solution is comprised of multiple products, a Pat must be provided for each product. In addition to PATs, the Contractor may include a verification of conformance certified by an industry-recognized third party. If the Contractor is including any third party products in the Solution, the Contractor must obtain and provide the third party PATs as well.

Each PAT must state exactly how the product meets the specifications. All “Not Applicable” (N/A) responses must be fully explained. Contractor must address each standard individually and with specificity; and clarify whether conformance is achieved throughout the entire product (for example – user functionality, administrator functionality, and reporting), or only in limited areas. A description of the evaluation methods used to support WCAG 2.1 Level AA conformance claims, including, if applicable, any third-party testing, must be provided. For each product that does not fully conform to WCAG 2.1 Level AA, the Contractor must provide detailed information regarding the plan to achieve conformance, including timelines.

6. USER TYPE AND CAPACITY

Contractor Solution must meet the expected number of concurrent Users below:

Type of User	Access Type	Number of Users	Number of Concurrent Users
State Employee	R, W, A	400	175
Contractors	R, W	1,000	200

The Solution is scalable to any capacity for any user type needed by the State. The Contractor has chosen to configure the Solution on the Appian platform because of the ability to scale from the smallest of use cases, up to the largest.

To scale to very high volumes of concurrent users and processes, every software component can be hosted on a separate server and sized individually to meet extreme high availability and load balancing scenarios. This allows for multiple nodes in the chain to be unavailable, yet service to continue. Data replication enables software-based load balancing and failover, supporting scenarios of heavy utilization, High-Availability and Load Balancing.

7. ACCESS CONTROL AND AUTHENTICATION

The Contractor’s solution must implement identity federation with the State’s MiLogin IT Identity and Access Management (IAM) environment as described in the State of Michigan Administrative Guide (1340.00.020.08 Enterprise Identity and Access Management Services Standard (michigan.gov)).

To support federation with the SOM MiLogin solution, the Contractor’s solution must support SAML, OpenID or OAuth federated identity protocols.

Solutions running within the States internally managed IT environment may be suitable for integration with the State’s Active Directory services as identified in the 1340.00.020.08 standard.

The Solution will be configured to use MiLogin for Identity and Access Management (IAM). It will use SAML 2.0 standards and will present credentials entered by users logging in to the system to MiLogin as the Identity Provider for authentication. Authentication tokens will be issued by MiLogin that can then be used for subsequent access to the Solution.

8. REQUIRED FUNCTIONALITY RELATING TO DATA RETENTION, DISPOSAL, AND RETRIEVAL

The State has legal obligations to retain, dispose, and retrieve State Data along with obligations to manage and secure State Data. To meet these obligations, the Solution must allow the State to:

- 1) retain all data for the entire length of the Contract.

- 2) delete its data or request the deletion of its data, even data that may be stored offline or in backups.
- 3) transfer its data back to the State or to a new vendor or new solution.
- 4) transfer its data to the Archives of Michigan as may be required by a retention and disposal schedule.
- 5) retrieve data, even data that may be stored offline or in backups.

Except as otherwise stated in the Contract, Contractor will not dispose of, delete, or destroy State Data without the prior written approval of the State.

All data used by the Solution is stored and secured in a relational database. The Solution provides a method to archive data as appropriate.

The Contractor will configure the Solution to keep data for the length of the Contract. At the end of the Contract, the data can be exported and provided to the State. Data can then be purged from the Solution at the direction of the State.

9. END USER AND IT OPERATING ENVIRONMENT

The SOM IT environment includes FedRAMP authorized major cloud providers and on-premises market leading virtualization environments, with supporting platforms that includes enterprise storage, monitoring, and management running in house and in cloud hosting provides.

Contractor must accommodate the latest browser versions (including mobile browsers) as well as some pre-existing browsers. To ensure that users are able to access online services, Contractor must ensure applications and websites display and function accurately in, at minimum, the two most recent major versions of the following browsers, without reliance on special plugins or extensions:

- Google Chrome
- Microsoft Edge
- Firefox
- Safari

Contractor will have access to existing State test environments for the Contractor to use in order to perform the 18 required integrations. This includes the State's systems of record that will be accessed via Web Services, Database links, as well as the MiLogin integration.

Contractor will manage and support the Solution, along with providing first level support. As New Versions of the Software are released quarterly, the Contractor will review and ensure there are no changes to the Solution behavior. If there are changes that affect the look and feel of the User Interface, the Contractor will communicate these changes to the State. The Contractor will coordinate the quarterly system updates and communicate these upgrade times with the State.

10. SOFTWARE

The term Software includes VRAM, Appian Cloud, and the Operating Environment. Software requirements are identified in **Schedule A – Table 1 Business Specification Worksheet**.

Contractor must provide a Software Bill of Materials (SBOM) containing details and supply chain relationships of various components used in the Solution. The SBOM will contain all open source

and third-party components, libraries, and dependencies included with or used in connection with the Solution. This information must be provided to the State in a mutually agreed format on a quarterly basis and for new components at least 30 days prior to being added to the Solution.

Look and Feel Standards

All software items provided by the Contractor must adhere to the State of Michigan Application/Site standards which can be found at <https://www.michigan.gov/standards>.

Mobile Responsiveness

If the software will be used on a mobile device as define in Schedule A – Table 1, Business Specification Worksheet, the Software must utilize responsive design practices to ensure the application is accessible via a mobile device.

SOM IT Environment Access

Contractor must access State environments using one or more of the following methods:

- State provided VDI (Virtual Desktop Infrastructure) where compliant.
- State provided and managed workstation device.
- Contractor owned and managed workstation maintained to all State policies and standards.
- Contractor required interface with State Systems which must be maintained in compliance with State policies and standards as set forth in **Schedule E – Data Security Requirements**.
- Contractor will not access State environments or State Systems from locations outside the United States or the jurisdiction territories of the United States.

Detailed business requirements will be validated at the start of the project.

Configuration

As the Contractor configures the Solution, the Contractor developers have access to the Performance View. This will be leveraged during design-time or to view historical performance data to identify and minimize latency response time. The Performance View includes graphical and tabular performance information, breaking down the rendering of the interface by components, queries, rules, and expressions. This allows Contractor to identify potential performance bottlenecks and/or inefficiencies directly in the Solution.

Additionally, the Solution includes a Health Check tool, which provides insights into application design patterns and performance risks in the Operating Environment. The Contractor will use these insights to mitigate any identified risks. The report provides Contractor the following insights:

Design: The architecture, patterns, and configurations of Solution applications and their objects. For example: data models, security models.

User Experience: The performance of user interfaces. For example: user responsiveness of record types or reports.

Infrastructure: The ability of the underlying hardware and software to support the Solution features and usage. For example: CPU, memory, storage.

Configuration: The architecture and settings used by Contractor in Solution installation. For example: Software version, supporting hardware and software, custom authentication.

The Contractor will use the information provided in both the Health Checker and Performance stats to alleviate any performance or rendering issues before the Solution is provided to the State for Acceptance Testing.

The Solution will be configured in 3 logical and fully integrated components.

1. Vendor Management
2. RFP / Proposal Management
3. Contracts / Agreements Management

The exact delineation of functionality and business capability between the three logical components may be adjusted as business requirements and solution design are detailed, but the functionality remains the same. The following is a description of the solution parts.

Vendor Management

Vendor Portal: The Vendor Management component will manage all the business processes and interactions focused on Vendors. The application will include a secure external vendor portal, integrated through MiLogin, that gives vendors the ability to interact with State business processes and have full visibility into current process status. Any communication between the vendor and the state can be accomplished thru this portal. The vendor portal will allow vendors to:

- Submit prequalification and renewal requests and appeal to any denials.
- Upload documents (and classify them based on master document type list)
- Sign documents.
- Make updates to vendor profiles.
- Respond to RFPs, submit pricing, provide feedback
- Submit invoices
- View and appeal vendor audit
- View and appeal vendor evaluation

Workflow: The backbone of the Vendor Management application is a workflow engine orchestrating and managing the work required to complete these core business processes. For each of the core business processes, a workflow will be configured that manages the ordered steps and provides users with all the information they need at any given step in the process, to complete their work. Prioritization, notifications, and escalations are a key component of any workflow, to ensure work gets completed in a timely manner. Contractor will maintain the Workflows. The State will have the ability to configure the Field Choice Lists. At the State's discretion, the State could also make additional changes.

The following business process workflows will be configured as part of the vendor management application:

- Prequalification (including denial and appeal)
- Annual Renewal
- Vendor updates (new classification, key staff, etc.)
- Vendor rate approvals

Automatic notifications will be configured as appropriate including prequalification status, appeal status, annual renewal required, etc.

Administration: The Solution will allow administrator functionality that allows the State to easily update the values of field choice lists. Fields such as application type, statuses, classification, document categories, etc. will be configurable by the State Authorized Users with the proper admin rights.

Reporting: Finally, out-of-the-box reporting is included in all applications that are part of the Pyramid VRAM solution. The vendor management application will include reports as described in the Contract. The following reports will be configured:

- Prequalified / DBE Vendor
- Vendor overhead
- Key staff tracking
- Annual vendor renewal
- Prequalification appeals

RFP / Proposal Management

The second component of the *Solution, RFP, and Agreements Management (VRAM)* is the RFP / Proposal management process. This component manages the workflow and activities required from the RFP creation step through to vendor selection. The capabilities will include the following:

- RFP scope creation and review
- Project estimate creation, review, and refinement
- RFP Creation / Review / Approval
- Vendor submittal scoring, pricing review, and selection process

Workflow: Like the Vendor Management component, the backbone of this RFP application is a workflow engine orchestrating and managing the work required to complete these core business process. For each of the above-listed business processes, a workflow will be configured that manages the ordered steps and provides users with all the information they need at any given step in the process, to complete their work. Prioritization, notifications, and escalations are a key component of any workflow, to ensure work gets completed in a timely manner.

Email Notification: Email notification is a core capability of the workflow engine. Notifications will be configured as appropriate to ensure users are made aware of work to be completed. These notifications can be multitiered if appropriate, by configuring an escalation path if steps are not completed by pre-defined deadlines. Email notification applies to both State Authorized Users as well as external vendors and contractors.

User interfaces will be defined to be specific to each role and the activity being performed. For example, as the RFP scope is being created, the user will have an interface that provides all the required fields and allows them to populate as required - project title, location, jobs associated, etc. Or, during the vendor scoring step, an interface will be designed to walk the reviews through the process of scoring each section of the vendor's response. Data for these interfaces can be keyed-in manually, integrated from other areas of the Solution (such as the Vendor record, or the Contract details) or can be integrated from State systems of record (such as JobNet, PSVR or SIGMA). The Contractor will configure the interfaces to be user friendly and functional. Each

existing business process and user function will be analyzed and designed to meet the business requirements.

Document Generation: There are several areas in this Contract that require documents to be generated from system data. This is a core capability of the automation platform on which the Solution will be configured. Document templates, such as RFPs or Contracts will be stored in the system. Then, when the data has been entered into the Solution and approved, a process will run to use that data to populate the template and create a Word document. This document will then be stored in the system and ready for an approval process. If applicable, once finalized, this Word document can be converted into PDF. The Contractor will work with the State to gather the existing templates and load them into the system or create new templates if necessary.

Vendor interaction: After the RFP is finalized and made public, there are multiple interactions with vendors/contractors (receipt of vendor response, upload of additional documents, scoring notification, pricing details etc.). The RFP component is fully integrated to the Vendor component allowing for seamless communication between the two. If the RFP workflow needs to communicate with a responding vendor, a vendor communication or request will be communicated through the secure Vendor portal. Vice versa, if a vendor needs to upload additional documentation for their proposal, this will also be accomplished through the Vendor portal and shared with their response that is going through a scoring or pricing step. Another example is when the vendor is requested to provide detailed pricing for sub-vendor agreements, this will also be completed through the Vendor Portal and a user interface configure for that purpose.

Administrative Functions: As with the Vendor component, the RFP solution will provide administrator functionality that allows the State to easily update the values of field choice lists. Fields such as Project Tier, Project Selection Types, Service Types, Project Phases, etc. will be configurable by State Authorized Users with the proper administrative rights.

Reporting: Finally, out-of-the-box reporting is included in all applications that are part of the Solution. The RFP application will include reports as described in the Contract. The following reports will be configured:

- Weekly approved selections report.
- Mentor protégé report.

Contracts and Agreements Management

The third integrated component of the Solution is Contracts and Agreement Management. This component manages the workflow and activities required once the vendor(s) is selected and the documentation process begins. As stated earlier, some of these capabilities may be better suited for one of the other components, for example vendor evaluation. Those details will be determined during requirements and design. The capabilities will include the following:

- Contract creation (and modification) and signatures
- Project specific agreements
- Project Authorization, Modification and PRF Form generation
- Agenda creation and signatures
- Project invoicing
- Contract close-out
- Contract audit

- Vendor evaluation
- Estimated Accounts Payable

Workflow: Similar to the previously described components, the backbone of the Contracts and Agreements application is a workflow engine orchestrating and managing the work required to complete these core business processes. For each of the above-listed business processes, a workflow will be configured that manages the ordered steps and provides users with all the information they need at any given step in the process, to complete their work. Prioritization, notifications, and escalations are a key component of any workflow, to ensure work gets completed in a timely manner.

Email Notification: Email notification is a core capability of the workflow engine. Notifications will be configured as appropriate to ensure users are made aware of work to be completed. These notifications can be multitiered if appropriate, by configuring an escalation path if steps aren't completed by pre-defined deadlines. Email notification applies to both State Authorized Users as well as external vendors and contractors.

User interfaces will be defined to be specific to each role and the activity being performed. For example, as the contract is being created, the user will have an interface that provides all the required fields and allows them to populate as required - project title, location, jobs associated, etc. Or, during Vendor Evaluation, screens will be designed to allow for capture of all required fields. Data for these interfaces can be keyed-in manually, integrated from other areas of the solution (such as the vendor record, or the RFP details) or can be integrated from State systems of record (such as SIGMA, APPC or CPS). The Contractor will configure the interfaces to be user friendly and functional. Each existing business process and user function will be analyzed and designed to meet the business requirements.

Document Generation: There are several areas in Contracts and Agreements requirements that describe documents that are generated from system data. This is a core capability of the automation platform on which the Solution will be configured. Document templates, such as Contracts, Agendas, Project Authorization or PRFs will be stored in the Solution. Then, when the data has been entered into the Solution and approved, a process will run to use that data to populate the template and create a Word document. This document will then be stored in the Solution and ready for an approval process. If applicable, once finalized, this Word document can be converted into PDF. The Contractor will work with the State to gather the existing templates and load them into the system or create new templates if necessary.

Vendor interaction: There are multiple interactions with vendors/contractors required after the selection process or during/after the project. Communications such as Contract Signature, Invoicing or Vendor evaluation. The Contracts and Agreements component is fully integrated with the Vendor component allowing for seamless communication between the two. If the Contract workflow needs to communicate with a vendor, a vendor communication or request will be communicated through the secure Vendor portal. Vice versa, if a vendor needs to upload invoice documentation, this will also be accomplished through the Vendor portal. By managing communication fully within the Solution, all activities can be managed, and audit trails preserved.

Administrative Functions: As with the previously described components, the Solution will provide administrator functionality that allows the State to easily update the values of field choice lists. Fields such as Project Tier, Project Selection Types, Service Types, Project Phases, etc. will be configurable by State Authorized Users with the proper administrative rights.

Reporting: Finally, out-of-the-box reporting is included in all applications that are part of the Solution. The RFP application will include reports as described in the Contract. The following reports (at a minimum) will be configured:

- Contract details
- Agenda details
- Invoice details
- Close out details
- Audit report details
- Audit summary
- Outstanding audit concurrence details
- Vendor evaluation outstanding
- EAP details
- Agreement details

The Appian Platform

The Solution is fully hosted and maintained by the Contractor. As described previously, there are several cloud components on which the Contractor Solution is based.

1. Appian Platform - This is the core of the Contractor solution and provides the workflow, data management, integrations, document generation and reporting capabilities.
2. eSignature – The Solution will rely on integration with an eSignature provider to perform these functions.

There is no unique or custom software required to support SOM systems.

The automation platform on which the Contractor solution is built allows Contractor developers to build once and deploy everywhere with dynamic user interfaces that work out of the box on a native mobile application. The mobile app supports iPhone, iPad, and Android devices, with no modifications to the application.

User capabilities are the same regardless of which device is being used.

11. INTEGRATION

The Appian platform, on which the Contractor Solution is configured, has powerful data and content integration capabilities. The goal is to seamlessly pull data into the Solution as needed and share data back to other systems when necessary. Data sourced from other systems can be used in user interfaces, in workflow processes and in reports and dashboards, in the same way Solution internal data is used.

The Solution includes integrations and connected systems that work together to quickly connect the Solution to State systems. Of relevance to the State integration requirements is the *Oracle Data Source Connected System*, which is used to connect and share data with Oracle databases. There is also a *Call Web Service Smart Service* which is used to call a web service to send and receive data.

During the requirements gathering and design, the Contractor will use these out-of-the-box capabilities to design the most appropriate integration for all 18 of these internal State systems.

Contractor must integrate their solution to the following technologies:

Integration Name:	SIGMA
Current Technology	File Transfer, Web Service APIs and oracle database links
The <i>HTTP and OpenAPI Connected System</i> can be used to call modern REST APIs.	

Integration Name:	MiLogin (See Section 6, Access Control)
Current Technology	OIDC integration or SAML Integration
The Solution will be configured to use MiLogin for Identity and Access Management (IAM). It will use SAML 2.0 standards and will present credentials entered by users logging in to the system to MiLogin as the Identity Provider for authentication; authentication tokens will be issued by MiLogin that can then be used for subsequent access to the Solution.	

Integration Name:	ProjectWise (Bentley)
Current Technology	Web Service APIs
The Contractor will utilize the Appian out-of-the-box Web Service Smart Services to connect to ProjectWise.	

Integration Name:	JobNet
Current Technology	Web Service APIs and oracle database links
The Contractor will utilize the Appian out-of-the-box Connected Systems and Smart Services to connect to JobNet.	

Integration Name:	MUCP (Michigan Unified Certification Program)
Current Technology	Web Service APIs and oracle database links
The Contractor will utilize the Appian out-of-the-box Connected Systems and Smart Services to connect to MUCP.	

Integration Name:	Prequalified Service Vendors (PSVR)
Current Technology	Web Service APIs and oracle database links
The Contractor will utilize the Appian out-of-the-box Connected Systems and Smart Services to connect to PSVR.	

Integration Name:	AASHTOWare Project (APPC & APCM modules)
Current Technology	Web Service APIs and oracle database links
The Contractor will utilize the Appian out-of-the-box Connected Systems and Smart Services to connect to APPS & APCM.	

Integration Name:	AeroPM
Current Technology	Web Service APIs and oracle database links
The Contractor will utilize the Appian out-of-the-box Connected Systems and Smart Services to connect to AeroPM.	

Integration Name:	Construction Permit System (CPS)
Current Technology	Web Service APIs and oracle database links
The Contractor will utilize the Appian out-of-the-box Connected Systems and Smart Services to connect to CPS.	

Integration Name:	LAMDA
Current Technology	Web Service APIs and oracle database links
The Contractor will utilize the Appian out-of-the-box Connected Systems and Smart Services to connect to LAMDA.	

Integration Name:	LAPMS
Current Technology	Web Service APIs and oracle database links
The Contractor will utilize the Appian out-of-the-box Connected Systems and Smart Services to connect to LAPMS.	

Integration Name:	LARS
Current Technology	Web Service APIs and oracle database links
The Contractor will utilize the Appian out-of-the-box Connected Systems and Smart Services to connect to LARS.	

Integration Name:	PHASE_INIT (PI)
Current Technology	Web Service APIs and oracle database links
The Contractor will utilize the Appian out-of-the-box Connected Systems and Smart Services to connect to PI.	

Integration Name:	CAST
Current Technology	Web Service APIs and oracle database links
The Contractor will utilize the Appian out-of-the-box Connected Systems and Smart Services to connect to CAST.	

Integration Name:	MGS
Current Technology	Web Service APIs and oracle database links
The Contractor will utilize the Appian out-of-the-box Connected Systems and Smart Services to connect to MGS.	

Integration Name:	BI (Business Intelligence)
Current Technology	Web Service APIs and oracle database links
The Contractor will utilize the Appian out-of-the-box Connected Systems and Smart Services to connect to BI.	

Integration Name:	Public Transportation Information Management System (PTIMS)
Current Technology	In Implementation phase (Web Service APIs)
The Contractor will utilize the Appian out-of-the-box Connected Systems and Smart Services to connect to PTIMS.	

Integration Name:	Planisware
Current Technology	Web Service APIs and oracle database links
The Contractor will utilize the Appian out-of-the-box Connected Systems and Smart Services to connect to Planisware.	

Integration Name:	OneSpan
Current Technology	Web Service APIs

12. MIGRATION

Contractor must migrate the data identified in the table below:

Current Technology	CTRAK - Oracle AMS – Oracle
Data Format relative to the database technology used.	CTRAK - CLOB, BLOB, Char, Number AMS - BLOB, Char, Date, Number, VarChar
Number of data fields to give Contractor awareness of the size of the schema.	CTRAK - Total number of data fields: 1363 AMS - Total number of data fields: 342

Volume of Data	CTRAK - Total number of data records: 98,728,080 AMS - Total number of data records: 656,172
Database current size.	CTRAK - about 45 GB AMS - AMS_128K: 100M AMS_4M: 69 GB AMS_IDX_128K: 60MB

The Contractor will have access to technical (IT) staff at the State to assist with the detailed analysis of the existing data structures in the CTRAK and AMS databases. From this analysis process, the Contractor will make the appropriate design modifications to map the CTRAK and AMS data into the VRAM data model. This analysis and design sequence will form the basis for the eventual extraction and transfer of the data from the existing applications to the Solution.

The Contractor will develop and unit test the migration process in the State’s DEV environment, validate the process in the State’s QA environment and will then schedule the Production data migration consistent with the other change-over planning that will occur with the State.

The Contractor expects that business users will validate the migrated data during the User Acceptance Testing (UAT) phase of the project. Their approval will be one of the governing criteria for moving the data migration process to the Production environment. There will be a post-migration review and confirmation of the data.

As described earlier, the Contractor has chosen to configure the Solutions on the Appian platform because of the ability to scale from the smallest of use cases, up to the largest. So, as usage expands, the Appian platform will be scaled to meet the needs of the State. Based on the initial assessment, the State’s storage requirements will require an “Extra-large” size for the Production environment.

The database may be increased at the time of transition, if required by the State.

13. HARDWARE – RESERVED

14. TRAINING SERVICES

The Contractor will develop and deliver Solution training to the various users that will be interacting with the Solution, including internal employees and external vendor users. Training will include the necessary level of detail for the user to perform their job duties. Training will be developed as required for Vendors, PMs, Proposal and Contract authors and approvers, UAT Testers, and any other System Users. Training will be focused on the core solution capabilities of the Solution and provide all the necessary details.

Training will be delivered in the manner most appropriate, but virtual training is usually appropriate. Depending on the user group, the Contractor envisions that a few hours to a day would be sufficient to cover the material. Sessions will be recorded to allow for reuse at a later date. Documentation that includes verbiage as well as screenshots will be delivered in electronic format that can be used as reference and as solution documentation.

The Contractor project team will be available during go-live, to address immediate questions or issues that may arise. This includes the project manager and engineers who work on the project. The Contractor will collaborate with MDOT to agree and document the exact support framework.

The Contractor is accustomed to developing end-user focused documentation. The documentation will include enough details to perform the job duties and screenshots to clearly show usage.

15. TRANSITION RESPONSIBILITIES

See Schedule G.

16. DOCUMENTATION

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

Contractor must develop and submit for State approval complete, accurate, and timely Solution documentation to support all users, and will update any discrepancies, or errors through the life of the contract.

The Contractor’s user documentation must provide detailed information about all software features and functionality, enabling the State to resolve common questions and issues prior to initiating formal support requests.

The Contractor will develop and deliver comprehensive solution documentation for user interaction with the system; this includes screenshots and verbiage that can be used as a resource after training, as much as possible, the solution documentation and training material will be one and the same. This reduces the time for development and ensures consistency.

17. ADDITIONAL PRODUCTS AND SERVICES - RESERVED

18. CONTRACTOR PERSONNEL

Contractor Contract Administrator. Contractor resource who is responsible to(a) administer the terms of this Contract, and (b) approve and execute any Change Notices under this Contract.

Contractor Contract Administrator
Leah Henig 30200 Telegraph Road, Suite 440 Bingham Farms, MI 48025

19. CONTRACTOR KEY PERSONNEL

Contractor Security Officer. Contractor resource who is responsible to respond to State inquiries regarding the security of the Contractor’s Solution. This person must have sufficient knowledge of the security of the Contractor Solution and the authority to act on behalf of Contractor in matters pertaining thereto. Contractor must inform the State of any change to this resource.

Contractor Security Officer
Jeff LaCroix Address 30200 Telegraph Rd. Suite 440 Bingham Farms, MI 48025

Contractor Project Manager. Contractor resource who is responsible to serve as the primary contact regarding services who will have the authority to act on behalf of the Contractor in matters pertaining to the implementation services, matters pertaining to the receipt and processing of Support Requests and the Support Services.

Contractor Project Manager
Leah Henig Address 30200 Telegraph Rd. Suite 440 Bingham Farms, MI 48025

Contractor Trainer. Contractor resource who is responsible for developing training for the Contractor’s Solution. This person must have sufficient knowledge of the Contractor Solution to provide documentation and training materials for the system administrators and end users. The Contractor Trainer will be one of the key personnel through the duration of the project until the end of the warranty period.

Contractor Trainer
Sirisha Ravikoti Address 30200 Telegraph Rd. Suite 440 Bingham Farms, MI 48025

20. CONTRACTOR PERSONNEL REQUIREMENTS

Background Checks. Contractor must present certifications evidencing satisfactory ICHAT and drug test results for all staff identified for assignment to this project to the State of Michigan Program Manager designated for this Contract. In addition, proposed Contractor personnel will be required to complete a Michigan State Police background check and/or submit an RI-8 Fingerprint Card for the National Crime Information Center (NCIC), if required by project.

Annually, Contractor must perform an ICHAT for all staff identified for assignment to this project. Annual background check results will be reported to the State of Michigan Program Manager designated for this Contract.

Contractor, while employed with DTMB, will disclose to the State of Michigan Program Manager for this Contract, in writing at or before the beginning of the next scheduled duty shift:

- a. A felony or misdemeanor court conviction, whether by guilty plea, no contest plea or trial.
- b. A felony arraignment.
- c. Restriction, suspension, or loss of driving privileges for any reason, if the employee’s current position requires possession of a valid driver’s license.

Contractor will pay for all costs associated with ensuring its staff meet all requirements.

Contractor must notify the State Program Manager(s) prior to removing or replacing any Contractor Personnel with access to State Data under this Contract. Contractor must also provide written certification to the State Program Manager(s) that Contractor Personnel’s access to State Data has been terminated. Contractor must notify the State in advance of allocating Contractor Personnel to multiple State Contracts or Projects. Contractor must provide detail of how a given Contractor Personnel meets the resource experience requirements in advance of replacing a Contractor

Personnel. Contractor must provide monthly summary of Contractor Personnel allocation for all Contractor Personnel who have access to State Data.

Contractor must seek approval from the State prior to removing or replacing any Contractor Personnel with access to State Data.

Offshore Resources. Use of Offshore Resources is prohibited per the Schedule E – Data Security Requirements. Contractor must comply with the data security and other requirements in this Contract.

The Contractor Solutions does not use offshore resources.

Disclosure of Permitted Subcontractors. If the Contractor intends to utilize Permitted Subcontractors (including but not limited to cloud providers, managed security providers, staff augmentation, etc.) as defined in the Software Terms, the Contractor must disclose the following:

- The legal business name; address; telephone number; a description of subcontractor’s organization and the services it will provide; and information concerning subcontractor’s ability to provide the Solution.
- The relationship of the Subcontractor to the Contractor. Of the total bid, the price of the Subcontractor’s work. Whether the Contractor has a previous working experience with the Subcontractor. If yes, provide details of that previous relationship.
- A complete description of the Solution that will be performed or provided by the subcontractor.

Permitted Subcontractor	
The legal business name, address, telephone number of the Permitted Subcontractor(s).	Appian Corporation 7950 Jones Branch Dr McLean, VA 22102 1-703-8844
A description of Permitted Subcontractor’s organization and the Services and/or Deliverables it will provide.	Appian is the platform provider. They will be responsible for ensuring the core system is up and running and functional
The relationship of the Permitted Subcontractor to the Contractor.	Business Partner
Whether the Contractor has a previous working experience with the Permitted Subcontractor. If yes, provide the details of that previous relationship.	Yes
A complete description of the Contract Activities that will be performed or provided by the Permitted Subcontractor.	Platform maintenance and support.
Of the total bid, the price of the Permitted Subcontractor’s work.	The software license fee

Permitted Subcontractor	
The legal business name, address, telephone number of the Permitted Subcontractor(s).	Amazon Web Hosting Services 410 Terry Avenue North Seattle, WA 98109 1-206-266-1000
A description of Permitted Subcontractor's organization and the Services and/or Deliverables it will provide.	Amazon is the web hosting provider for the Appian Platform
The relationship of the Permitted Subcontractor to the Contractor.	Appian maintains the relationship between Ama
Whether the Contractor has a previous working experience with the Permitted Subcontractor. If yes, provide the details of that previous relationship.	Yes
A complete description of the Contract Activities that will be performed or provided by the Permitted Subcontractor.	Web Hosting Services
Of the total bid, the price of the Permitted Subcontractor's work.	The software license fee

21. STATE RESOURCES

The State will provide the following resources as part of the implementation and ongoing support of the Solution.

State Contract Administrator. The State Contract Administrator is the individual appointed by the State to (a) administer the terms of this Contract, and (b) approve and execute any Change Notices under this Contract.

State Contract Administrator
Robin Lampert 320 South Walnut, Lansing, MI 48909 517-582-2746 lampetr1@michigan.gov

Program Managers. The DTMB and Agency Program Managers (or designee) will jointly approve all Deliverables and day to day activities.

DTMB Program Manager
Jeff LaBean Van Wagoner Building 425 West Ottawa Street Lansing, MI 48933 517-243-1743 LabeanJ@michigan.gov

Agency Program Manager
Nicole Wolf Van Wagoner Building 425 West Ottawa Street Lansing, MI 48933 WolfN@michigan.gov

22. MEETINGS

At start of the engagement, the Contractor Project Manager must facilitate a project kick off meeting with the support from the State’s Project Manager and the identified State resources to review the approach to accomplishing the project, schedule tasks and identify related timing, and identify any risks or issues related to the planned approach. From project kick-off until final acceptance and go-live, Contractor Project Manager must facilitate weekly meetings (or more if determined necessary by the parties) to provide updates on implementation progress. Following go-live, Contractor must facilitate monthly meetings (or if determined necessary by the parties) to ensure ongoing support success.

The Contractor must attend the following meetings, at a location and time as identified by the State, at no additional cost to the State:

- Annual meetings and upon major releases
- Meetings to prepare for additional enhancements, major repairs or releases. (These meetings may be required to prepare a Statement of Work.)
- Additional meetings, not to exceed 4/year may be required at MDOT’s discretion.

23. PROJECT CONTROL & REPORTS

Once the Project Kick-Off meeting has occurred, the Contractor Project Manager will monitor project implementation progress and report on a weekly basis to the State’s Project Manager the following:

- Progress to complete milestones, comparing forecasted completion dates to planned and actual completion dates
- Accomplishments during the reporting period, what was worked on and what was completed during the current reporting period

- Indicate the number of hours expended during the past week, and the cumulative total to date for the project. Also, state whether the remaining hours are sufficient to complete the project
- Tasks planned for the next reporting period
- Identify any existing issues which are impacting the project and the steps being taken to address those issues
- Identify any new risks and describe progress in mitigating high impact/high probability risks previously identified
- Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

In addition to any required SUITE documents that will be produced during the project lifecycle, the Contractor Project Manager (PM) will produce reports to convey project status information. Typically, the PM will produce a weekly status report that is a project summary meant as a management overview. This report will include, but is not limited to the following:

R-Y-G Health status on project

- Scope
- Schedule
- Quality
- Budget

Project status summary

Tasks completed during the previous period/week.

Tasks planned for this period/week.

Current issues, with steps for remediation

Other information that is helpful for the management team to know.

Once testing commences, there will be an issue log report to track any open issues, and document steps and status of fixes.

24. PROJECT MANAGEMENT

The Contractor Project Manager will be responsible for maintaining a project schedule (or approved alternative) identifying tasks, durations, forecasted dates and resources – both Contractor and State - required to meet the timeframes as agreed to by both parties.

Changes to scope, schedule or cost must be addressed through a formal change request process with the State and the Contractor to ensure understanding, agreement and approval of authorized parties to the change and clearly identify the impact to the overall project.

SUITE Documentation

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

Milestones/Deliverables for Implementation

Milestone schedule and associated deliverables are set forth below.

Milestone	Deliverables	Estimated Due Date
Project Management - Initiation & Planning	<ul style="list-style-type: none"> • Project Plan (PMM-0102) • Project Kickoff 	Contract Execution + 1 month Target: 11/18/2024
Infrastructure Activities/Provision Environments	<ul style="list-style-type: none"> • Provision DEV Environment • Provision QA Environment • Provision PROD Environment 	Contract Execution + 5 months Target: 3/26/2025
Project Management – Ongoing	<ul style="list-style-type: none"> • Status Meetings • Technical Design Sessions • Project Management Documentation <ul style="list-style-type: none"> ○ Requirements Traceability Matrix (SEM-0401) ○ Test Strategy (SEM-0600) ○ Training Plan (SEM-0703) ○ Initial Functional Design ○ Initial System Design ○ Initial Data Dictionary ○ Change Management Plan 	Contract Execution + 6 months Target: 4/15/2025
Requirements and Design Validation	<ul style="list-style-type: none"> • Business Requirements Validation Sessions • Final Requirements Validation Document • Design and Review Reports (26) 	Contract Execution + 8 months Target: 6/4/2025
Installation and Configuration of Software	<ul style="list-style-type: none"> • Security Models Design (4) • MiLogin Integration/SSO Page • Initial Demo for each Component (3) <ul style="list-style-type: none"> ○ Vendor Management ○ RFP / Proposal Management ○ Contracts / Agreements Management • Corrections based on State Feedback • Additional Demos & Corrections as Needed • Component Level Testing 	Contract Execution + 11 months Target: 9/24/2025

Milestone	Deliverables	Estimated Due Date
Configuration, Integration, Migration	<ul style="list-style-type: none"> Design Integrations (20) Develop Unit Test Scripts to Export & Import Data Validate Export & Import Scripts Additional Script Correction & Data Migration Tests as Needed Develop Web Service Integration to External Systems Integration Testing & Corrections Final Functional Design Final System Design Final Data Dictionary 	Contract Execution + 12 months Target: 10/15/25
State of Michigan Digital Standards Review and Approval, Security Accreditation (Schedule E)	Authority to Operate (ATO) <ul style="list-style-type: none"> Keylight Steps (9) Remediation Plan with timeline ADA Compliance <ul style="list-style-type: none"> ADA Scan Remediation Plan with timeline 	Contract Execution + 12 months Target: 10/30/2025
Testing and Acceptance	<ul style="list-style-type: none"> Promote to QA Environment User Acceptance Testing (UAT) Testing Support for Test Cases & Test Plan Support SOM Integration & QA Testing Support UAT Including Remediations Testing Signoff Develop User Training Materials Deliver Business User Training Deliver Administrative Vendor Training 	Contract Execution + 13 months Target: 11/6/2025
Production Rollout	<ul style="list-style-type: none"> Solution Promotion to PROD Environment Go Live (Production Rollout) 	Contract Execution + 15 months Target: 12/11/2025
Post Production Warranty	Warranty after Go Live (90 Days)	Contract Execution + 18 months
Beginning of Maintenance	At end of Post Production Warranty	Target: 3/2/2026

25. HUMAN CENTERED DESIGN (HCD) - RESERVED

26. ADDITIONAL INFORMATION

The State reserves the right to purchase any additional services or products from the Contractor during the duration of the Contract.

SCHEDULE A – ATTACHMENT 1 – BUSINESS SPECIFICATION WORKSHEET

The Business Specifications Worksheet contains columns and is defined as follows:

Column A: Business Specification number.

Column B: Business Specification description.

Column C: Contractor must comply with the business Specification. Contractor must enter “Y” to one of the following:

- **Current Capability** – This capability is available in the proposed Solution with no additional configuration or cost
- **Requires Configuration** – This capability can be met through Contractor-supported changes to existing settings and application options as part of the initial implementation at no additional cost (e.g., setting naming conventions, creating user-defined fields).

NOTE: Configuration is referred to as a change to the Solution that must be completed by the Contractor prior to Go-Live but allows an IT or non-IT end user to maintain or modify thereafter (i.e. no source code or structural data model changes occurring).

Customization is referred to a modification to the Solution's underlying source code, which can be completed as part of the initial implementation. All configuration changes or customization modifications made during the term of the Contract must be forward-compatible with future releases and be fully supported by the Contractor without additional costs.

Column D: The Contractor must meet the requirements.

Required Business Specifications

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
1.0	Administrative			
1.1.1	System must be fully web-based.	X		The Solution <i>Vendor, RFP, and Agreements Management</i> (VRAM) Solution is a browser-based solution, accessed through a web-based portal. All end-user and administrative actions are performed using a standard web browser.
1.1.2	System must provide an ability for MDOT users and external vendors to e-sign documents whenever needed.		X	E-Signature is a standard, configurable capability of the platform and solution. The Contractor will configure the document signature functionality at each appropriate step in the business process.
1.1.3	System must offer the ability to grant administrative rights based on security roles.	X		Role-based security is a standard capability of the Solution. As part of the solution configuration, appropriate administrative rights will be configured for those in the admin role. For example, the ability to add or delete items from master lists, such as application type or vendor prequalification status will be available for admins only.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
1.1.4	System must allow administrators to create profiles / roles and assign role-based access.	X		This is a standard capability of the platform. As part of the implementation, the Contractor will define all the necessary roles for the various components of the system. The Contractor will work with MDOT to map these roles to Groups defined in the State’s Directory Service (e.g. Active Directory). The State’s Administrator’s will be able to place users in the AD groups according to the level of access that they require to the Solution.
1.1.5	System must offer the ability for audit trail to track changes whenever any changes (Add/Edit/Delete) is performed.	X		The platform on which the Solution is built maintains an audit trail of variable-level changes of all content, with time stamps, to ensure a complete audit is captured for regulatory compliance. Every process transaction produces a collection of records and artifacts associated with it, and the greatest amount of detail possible is captured in the audit trail including exactly when tasks were assigned, opened, and completed and by whom those actions were taken.
1.1.6	System must offer a searchable audit trail system by data field, including username, date, time of insertion and update.	X		As noted in the previous answer, all data, content, and workflow events are audited in the system. The audit events are stored in the solution as a record in the database. These records can be searched, sorted, filtered, and displayed in a user interface like any other data that is part of the solution.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
1.1.7	System must offer the ability for the user to create custom reports with various fields and input parameters and schedule them as needed.	X		Reports are an integral component of the platform on which the Solution is built. Reports can be configured for any record data or process data that exists in the system. Reports can be built as a dynamic, flexible interface allowing users to sort, filter and refine the results. Furthermore, once this report view is configured by a user, they can save this personal view for future use.
1.1.8	System must offer the ability for user to export all report data in several formats (Excel, Word, PDF, and CSV at a minimum), maintaining format and functionality in Excel.		X	Export to Excel is an out-of-the-box functionality when viewing record data or reports. Exporting to other formats (Word, PDF, CSV) is also available, and the Contractor will with MDOT to determine the specific requirements for the layout and view of these documents and configure the exports appropriately.
1.1.9	Contractor must provide a solution for document storage. (SOM currently using ProjectWise for all document storage)		X	There are options for document storage and the Contractor will work with MDOT to determine the best approach. The Solution does include a document repository and can manage documents internally. However, if the state prefers to continue to store the documents in ProjectWise and FileNet, the Solution supports that too and will link to those documents wherever they are managed. As documents are uploaded to the Solution, they are assigned key data (document type, upload date, etc.) and stored in the repository of choice. Role based security determines who has access to these documents.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
1.1.10	System must offer a multi-level customizable user dashboard.	X		The Appian platform on which the solution is built has some of the most powerful and configurable user interfaces in the industry. Each user role is provided with an interface that contains all the necessary information for that user to prioritize and complete their work, with a beautiful, easy to use interface.
1.1.11	System must provide a searchable system where user will be able to search by any data field (example: search vendor by Vendor Name, Application Type, Prequalification Classification and Status).	X		The Solution data model is organized as related data called 'Records'. There will be records for Vendors, RFPs, Contracts, Agreements, etc. Interfaces will be configured to present these records with that data that is meaningful for each user role. Different groups of users will be able to have different views of the same records. These record views are flexible and dynamic, allowing a user to sort, filter and refine the results. The Contractor will configure views for each role based on the business requirements.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
2.0	Interface With External System			
2.1.1	System must interface with Public Transportation Information Management System (PTIMS) system to provide Project Request Form (PRF) data.		X	<p>The response for the following 18 integration requirements will be the same.</p> <p>The Appian platform, on which the Solution is configured has powerful data and content integration capabilities. The goal is to seamlessly pull data into the Solution as needed and share data back to other systems when necessary. Data sourced from other systems can be used in user interfaces, in workflow processes and in reports and dashboards, in the same way solution internal data is used.</p> <p>The platform includes integrations and connected systems that work together to quickly connect the Solution to MDOT internal systems. Of relevance to the MDOT integration requirements is the Oracle Data Source Connected System, which is used to connect and share data with Oracle databases. There is also a Call Web Service Smart Service which is used to call a web service to send and receive data. And finally, there is the HTTP and OpenAPI Connected System that can be used to call modern REST APIs.</p> <p>During the requirements gathering and design, the Contractor will use these out of the box capabilities to design the most appropriate integration for all 18 of these internal MDOT systems.</p>

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
2.1.2	System must interface with MDOT SIGMA system to retrieve Vendor Information.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to MDOT SIGMA to retrieve Vendor information.
2.1.3	System must interface with State’s Michigan Unified Certification Program (MUCP) system to send and receive Disadvantaged Business Enterprise (DBE) related data.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to MUCP to share DBE related data.
2.1.4	System must interface with State’s Prequalified Service Vendors (PSVR) system to send and receive Prequalified Vendor related data.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to PSVR to share Prequalified Vendor related data
2.1.5	System must interface with State’s JobNet system to access Job related data.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to the State’s JobNet system to access Job related data.
2.1.6	System must interface with State’s PHASE_INIT system to provide contract and executed agreements related data.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to PHASE_INIT to share contract and agreement related data.
2.1.7	System must interface with State’s AASHTOWare Preconstruction (APPC) system to send and receive Bid Letting Information.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to APPC to share Bid Letting details.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
2.1.8	System must interface with State’s Local Agency Project Management System (LAPMS) to share Executed Agreements related data.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to LAPMS to share Executed Agreements data.
2.1.9	System must interface with State’s Land Asset Management Data Application (LAMDA) to share Contract related data.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to LAMDA to share Contract related data.
2.1.10	System must interface with State’s Aeronautics Program Manager (AeroPM) system to send and receive contract related data.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to AeroPM to share contract related data.
2.1.11	System must interface with State’s Local Agency Reimbursement System (LARS) to share Executed Agreements related data.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to LARS to share Executed Agreements data.
2.1.12	System must interface with State’s Construction Permit System (CPS) to send and receive permit related data.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to CPS to share permit related data.
2.1.13	System must interface with State’s Contract Award Tracking System (CAST) to share agreement related data.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to CAST to share agreement data.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
2.1.14	System must interface with State's AASHTOWare Project - Construction\Materials (APCM) system to share agreement related data.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to APCM to share agreement data.
2.1.15	System must interface with State's MDOT Grant xSystem (MGS) to share agreement related data.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to MGS to share agreement data.
2.1.16	System must interface with State's Power BI to share contract related data.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to the State's Power BI to share contract related data.
2.1.17	System must interface with ProjectWise (Document Management System) to retrieve and store documents.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to ProjectWise to store and retrieve documents.
2.1.18	System must interface with State's Planisware system to send and receive task scheduling data.		X	As described in response 2.1.1 the Contractor will utilize the Appian out of the box Connected Systems and Smart Services to connect to the State's Planisware to send and receive task scheduling data.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
2.1.19	System must interface with OneSpan to provide an ability for both MDOT users and External Vendors to e-sign documents whenever needed.		X	Pyramid will configure an integration to the OneSpan electronic signature platform. This integration will utilize OneSpan APIs to manage the eSignature process. Documents will be sent for signature at the appropriate point in each workflow and returned to the solution once signed.
3.0	<p><u>Contractor’s Prequalification, Annual Renewal, New Classification and Key Staff Updates:</u> Allow first time applicants (vendors) to submit their Prequalification request, MDOT to review request and then approve the Prequalification. Every vendor must submit their General and Financial Information on an annual basis so that their prequalification can be renewed annually. Vendor can also upload documents for New Classification and can update their Key Staffs whenever needed.</p>			
3.1.1	System must provide an ability for the user to add / edit the master list of Application Types.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Application Type master list will be included in this interface so the list options can be added, deleted, or updated.
3.1.2	System must provide an ability for the user to add / edit the master list of Prequalification Statuses.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Prequalification Status master list will be included in this interface so the list options can be added, deleted, or updated.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
3.1.3	System must provide an ability for the user to add / edit the master list of Prequalification Classifications.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Prequalification Classification master list will be included in this interface so the list options can be added, deleted, or updated.
3.1.4	System must provide an ability for the user to add / edit the master list of Document Categories.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Document Category master list will be included in this interface so the list options can be added, deleted, or updated.
3.1.5	System must allow user to update the Prequalification Status of each Contractor categorized by Application Type and Prequalification Classification.		X	As part of the prequalification business process, MDOT employees will be given a user interface to view vendor details and make notes or changes to associated fields. Status will be an editable field.
3.1.6	System must allow user to add / update comments for each vendor related to Prequalification, Annual Certification Renewal, Adding New Classification(s) and Updating Key Staff Member(s).		X	The user interfaces for the associated vendor processes will include all fields that the MDOT employee needs to perform their duties. A comment field will be included for this purpose.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
3.2	Submit Documents For New Vendor Prequalification and Annual Renewal.			
3.2.1	System must allow vendor to add / edit vendor details (examples: type of business, certification affidavit, current affiliates, overhead rates, suspension history) if the vendor is applying for Prequalification or Annual Renewal.		X	The solution will include a secure external vendor portal, integrated through MiLogin, that gives vendors the ability to interact with MODT business processes and have full visibility into the current status. The vendor portal will allow vendors to add or edit their details, associated with prequalification requests or annual renewal. Data such as type of business, certification, rates, etc. will be configured as part of the vendor details interface.
3.2.2	System must allow vendor to upload proof of 2/3rds Michigan Licensed Principles if vendor is seeking prequalification in engineering, architecture, and surveying related classifications.		X	As part of the secure vendor portal, vendors will have document upload functionality. As each document is uploaded, the vendor will select the document type. The document type choice list is configured by an MDOT administrative user and will include 2/3 ^{rds} Michigan Licensed Principles.
3.2.3	System must allow vendor to upload their organization chart if the vendor is applying for Prequalification or Annual Renewal.		X	As part of the secure vendor portal, vendors will have document upload functionality. As each document is uploaded, the vendor will select the document type. The document type choice list is configured by a MDOT administrative user and will include the vendor organization chart.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
3.2.4	System must allow vendor to upload documents related to Articles of Incorporation, Organization, Certificate of Authority (if Non-Michigan corp or LLC), or Certificate of Assumed Name (if sole proprietorship) if applying for Prequalification or Renewal.		X	As part of the secure vendor portal, vendors will have document upload functionality. As each document is uploaded, the vendor will select the document type. The document type choice list is configured by an MDOT administrative user and will include Articles of Incorporation, Organization, Certificate of Authority and Certificate of Assumed Name.
3.2.5	System must allow vendor to upload their Form W-9 (Request for Taxpayer Identification Number and Certification) if the vendor is applying for Prequalification or Annual Renewal.		X	As part of the secure vendor portal, vendors will have document upload functionality. As each document is uploaded, the vendor will select the document type. The document type choice list is configured by a MDOT administrative user and will include Form W-9.
3.2.6	System must allow vendor to upload their Proof of Insurance with coverage meeting the minimum requirements if the vendor is applying for Prequalification or Annual Renewal.		X	As part of the secure vendor portal, vendors will have document upload functionality. As each document is uploaded, the vendor will select the document type. The document type choice list is configured by a MDOT administrative user and will include Proof of Insurance.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
3.2.7	System must allow vendor to add / edit their availability details (example: age of firm, company's gross receipts for the past year, company status) if the vendor is applying for Prequalification or Annual Renewal.		X	The secure external vendor portal described in previous questions is fully configurable and will include all data necessary for the vendor to enter, whether applying for prequalification or annual renewal. The data will be organized in an easy-to-user interface, with field validations as appropriate. The Availability Details section will include the required fields.
3.2.8	System must allow vendor to add / edit their financial details (examples: revenue sources, accounting method/bias, accounting process, fraud / abuse / violation details, audit details) if the vendor is applying for Prequalification or Annual Renewal.		X	The secure external vendor portal described in previous questions is fully configurable and will include all data necessary for the vendor to enter, whether applying for prequalification or annual renewal. The data will be organized in an easy-to-user interface, with field validations as appropriate. The Financial Details section will include these required fields.
3.3	Submit Documents for New Classification.			
3.3.1	System must allow vendor to upload their QA / QC documents, list of all the Equipment / Software available and any additional document that vendor feels appropriate if vendor is applying for Prequalification or New Classification.		X	As described previously, the vendor portal will allow for any type of document upload. The document types allowed will be configured by an MDOT administrative user and selected by the vendor as the document is uploaded.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
3.4	Submit Documents for New Classification and Key Staff Update.			
3.4.1	System must allow vendor to add / edit key staff member(s) details (example: first name, last name, designation, classification, comments, active / inactive) if vendor is applying for New Classification or Key Staff Update.		X	The vendor portal interface will include a key staff section where vendors can add, delete or update key staff and associated staff details such as name, designation, classification or comments.
3.4.2	System must allow vendors to upload the resumes of their key staff members if vendor is applying for New Classification or Key Staff Update.		X	The key staff section of the vendor details interface will include a document upload capability. Vendors will be able to upload documents associated with each staff member, such as resumes.
3.5	Review Documents.			
3.5.1	System should provide notification to Prequalification Analyst whenever a new vendor application related to any Application Type is submitted.		X	Notification is a core capability of the workflow engine. Notification can be accomplished as an assigned task in the system, so the activity is tracked. Email notification is also available. The precise requirements for notifications will be documented during requirements and design. The Contractor has included all these optional notification requirements in the pricing schedule.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
3.5.2	System must allow user to set up a workflow process to review vendor documents and approve / deny vendor prequalification.		X	As part of the solution configuration, a prequalification workflow will be configured. This process will include the required steps and user roles that participate in the vendor prequalification. The user interface will include all the necessary vendor details, including documents, necessary for the approval or deny decision to be made. Deadlines and notifications will be included in the workflow to ensure timely completion of assigned steps.
3.5.3	System should provide an ability to email vendor once their status is updated.		X	This notification will be configured as part of the vendor preauthorization workflow.
3.6	Annual Renewal.			
3.6.1.a	System must allow vendors to add / edit their prequalification annual renewal information (example: approved QA/QC Measurements maintained, list of required equipment retained, approved key staffs retained) if the vendor is applying for Annual Renewal.		X	An automatic annual renewal workflow will be launched on a yearly basis to start the business process of annual renewal. This process will send a reminder to the vendor that they must complete the annual renewal. The vendor will use the secure portal to update data fields, key staff details and upload any required documentation.
3.6.1.b	System must provide the ability to send reminder email to vendor specifying when the Annual Renewal is due.		X	This notification will be configured as part of the vendor renewal workflow.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
3.7	Reports			
3.7.1	System must provide a report to display prequalified and DBE prequalified vendor count (example: Total Prequalified, Total DBE Prequalified, Total SBP Prequalified, DBE By Percentage, SBP By Percentage) by prequalification classification.		X	<p>The platform provides out-of-the-box reporting capabilities. Any data field that is part of the vendor record or any vendor related process can be used in a report. These reports are visual and dynamic in nature. Additionally, report data can be exported to Excel. Reports can be combined into a management dashboard and can be secured by user role if appropriate.</p> <p>As part of the Solution, the Contractor will configure the prequalified DBE Vendor report.</p>
3.7.2	System must provide a vendor overhead report to display overhead rates for all vendors by Fiscal Year End date.		X	As part of the Solution, the Contractor will configure the vendor overhead report.
3.7.3	System must provide a key staff tracking report displaying details for each key staffs along with associated vendor name and classification specific role.		X	As part of the Solution, the Contractor will configure the key staff tracking report.
3.7.4	System must provide an annual renewal report displaying annual renewal information for each vendor.		X	As part of the Solution, the Contractor will configure the annual vendor renewal report.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
4.0	Prequalification Vendor Appeal: Provides ability for the vendor to appeal if their prequalification is denied. Capture the outcome of Prequalification Appeal meeting and email Approval / Denial decision to Vendor.			
4.1.1	System must provide an ability for the user to add / edit the master list of Appeal Tiers.		X	As described in previous sections, the Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Appeal Tiers master list will be included in this interface so the list options can be added, deleted, or updated.
4.1.2	System must allow vendor to Appeal multiple times within specific time-period (calendar days) if the prequalification is denied.		X	As part of the vendor prequalification process, the appeal rules will be configured. A rule will be configured to calculate the number of current appeals to ensure it's allowed within the calendar days rule.
4.1.3	System must allow user to set up a workflow process to support review, approve / deny of vendor appeal.		X	The vendor appeal process will be configured as part of the Solution. Detailed business requirements for this workflow will be determined at the start of the project.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
4.1.4	System must provide an ability for the user to Capture the Outcome of Prequalification Appeal Meeting once the meeting is over and a decision has been made.		X	It is not clear what types of results will be captured after the appeal meeting. The Contractor assumes the results can be captured as data fields, comment fields and possibly some documentation. The Solution will be configured to allow for this type of outcome results and will be defined as part of the requirements process at the start of the project.
4.1.5	System will provide the ability to email vendor the outcome of prequalification appeal meeting once the meeting is over and a decision has been made.		X	This notification will be configured as part of the vendor preauthorization workflow.
4.2	Reports			
4.2.1	System must provide a report to track prequalification appeal workflow.		X	As described previously, the platform provides out-of-the-box reporting capabilities. Any data field that is part of the vendor record or any vendor related process can be used in a report. These reports are visual and dynamic in nature. Additionally, report data can be exported to Excel. Reports can be combined into a management dashboard and can be secured by user role if appropriate. As part of the Solution, the Contractor will configure the prequalification appeal report.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
5.0	Vendor Profile: Every vendor will be able to log in to CAPP and create their own profiles.			
5.1.1	System must allow Vendor to add / edit their profile information (example: vendor's name, overhead rate details, approved safer harbor rate (Yes / No), Facilities Capital Cost Of Money (F.C.C.M) Rate Details, Primary Contact details, Address).		X	As described in previous responses, the solution will include a secure external vendor portal, integrated through MiLogin, that gives vendors the ability to interact with MODT business processes and have full visibility into the current status. The vendor portal will allow vendors to add or edit their profile details, associated with prequalification requests, annual renewal or as details change. Data such as vendor name, rate details, Safe Harbor Rate, etc. will be configured as part of the vendor details interface.
5.1.2	System must provide an option for the user to review and approve the Overhead Rates and FCCM Rates entered by the vendor while creating their profiles.		X	As part of the workflow Solution configuration, the Contractor will configure this rate approval process workflow. The Contractor will work with MDOT to document the business requirements and design the workflow appropriately.
5.1.3	System must allow user to update Vendor Profile specifying whether the Vendor is Small Business Program (SBP) Certified or not.		X	The vendor portal interface will include SBP checkbox for vendor to indicate this information.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
5.1.4	System must allow user to update Vendor Profile specifying whether the Vendor is Disadvantaged Business Enterprise (DBE) Certified or not.		X	The vendor portal interface will include DBE checkbox for vendor to indicate this information.
6.0	<u>Project Estimation (Preliminary and Refine / Validation):</u> Project Manager (PM) will create a Preliminary Estimate of the project. The Scope/RFP will then be advertised. Once the vendor selection is finalized PM will refine / validate the Preliminary Estimate of the project and make necessary changes. PM signifies that the estimated validation and refinement has been completed.			
6.1	Preliminary Project Estimation.			
6.1.1	System must allow Project Manager to decide whether preliminary project estimation for the RFP is needed or not once the RFP is created.		X	Once the RFP is created, the PM will have the opportunity to make this decision. If the PM selects to create the initial estimate, a workflow will be launched to manage this process.
6.1.2	System must allow Project Manager to add / edit preliminary project estimate and details (examples: Breakdown of hours (work / labor), classification of labor, costs, fees) so that Preliminary Project Estimate for the RFP can be created.		X	An interface will be designed that allows the Pm to enter all necessary estimate data. Business rules, validations and calculations will be included to help ensure the accuracy of data entry.
6.1.3	System must allow Project Manager to submit Preliminary Project Estimate along with RFP once the estimate has been successfully reviewed.		X	The RFP estimate workflow will manage the process of reviews and approval, then save the data to the RFP record once completed.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
6.2	Refine / Validate Project Estimation			
6.2.1	System must allow Project Manager to decide whether preliminary project estimation needs to be refined / validated once the selection of vendor(s) is finalized.		X	This activity will be another step in the RFP workflow.
6.2.2	System must allow Project Manager to refine / validate preliminary project estimated details (examples: hours, classification of labor, direct costs, fees) once the selection of vendor(s) is finalized and estimation needs refinement / validation.		X	Project manager will be able to refine the original estimates. If necessary, the new estimate will be marked as refinement and the original estimate saved as original.
6.2.3	System must allow Project Manager to signify that estimated validation and refinement of project estimation has been completed once the refined / validated project estimate is successfully reviewed.		X	This will be included as part of the RFP workflow.
6.2.4	System must allow Project Manager to submit refined / validated project estimate once the project manager signifies that estimated validation and refinement of project estimation has been completed.		X	This will be included as part of the RFP workflow.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
6.3	Review Project Estimation (Preliminary and Refine / Validation)			
6.3.1	System must allow user to set up a workflow process to support review and approval of Project Estimation (Preliminary and Refined / Validated).		X	A review and approval workflow will be included as part of the RFP workflow.
7.0	<p>Create and Review Scope / Request For Proposal (RFP): Project scope is a detailed outline of all aspects of a project, including all related activities, resources, timelines, and deliverables. Project Manager (PM) is responsible for completing the scope. Once reviewed successfully, scope is converted to RFP. Request for Proposals (RFP): A document intended to solicit proposals for services. The most important part of an RFP is the Scope of Services. The scope informs the vendor what MDOT services are being solicited. The remainder of the RFP package covers instructions, information, and rules of the process.</p>			
7.1.1	System must provide an ability for the user to add / edit the master list of Project Tier information.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Project Tier master list will be included in this interface so the list options can be added, deleted, or updated.
7.1.2	System must provide an ability for the user to add / edit the master list of Project Selection Types.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Project Selection Type master list will be included in this interface so the list options can be added, deleted, or updated.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
7.1.3	System must provide an ability for the user to add / edit the master list of Scope Statuses.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Scope Statuses master list will be included in this interface so the list options can be added, deleted, or updated.
7.1.4	System must provide an ability for the user to add / edit the master list of Service Types.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Service Types master list will be included in this interface so the list options can be added, deleted, or updated.
7.1.5	System must provide an ability for the user to add / edit the master list of Project Phases.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Project Phases master list will be included in this interface so the list options can be added, deleted, or updated.
7.1.6	System must provide an ability for the user to add / edit the master list of Scope Templates.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Scope Templates master list will be included in this interface so the list options can be added, deleted, or updated.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
7.2	All Project Tier			
7.2.1	System must allow user to add / edit scope details (example: project title, description, location, jobs associated, phase, anticipated start/end date, cost estimate, template, single/multi-vendor, RFP posted / due date) so that scope can be created.		X	A user interface will be configured that includes all the details required for a scope. This interface will be organized in a manner that makes it easy to work through entering the scope details. Where applicable, drop-down lists, date pickers, master lists and business validations will be used to make the data entry simple and accurate.
7.2.2	System must allow user to Generate the Scope in MS Word or PDF format based on the scope details entered and scope template selected by the user.		X	This is a core functionality of the platform on which the Solution is built. Templates will be stored in the system and available for use as part of the RFP generation process. Data entered by the user will be populated into the template and a Word document, or PDF, will be generated.
7.2.3	System must allow user to set up a workflow process to Review the Scope.		X	The workflow engine is a core feature of the platform on which the Solution is built. Approval workflows will be pre-defined and configurable to meet the requirements for each applicable business process, including the Scope Review process.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
7.2.4	System must allow user to upload Insurance documents, Proposal Requirement documents and any additional documents related to the Scope.		X	Like the document functionality included in the Vendor Portal, the RFP solution will also have document upload functions. Documents can be uploaded and classified by an internal MDOT associate, or by the Vendor. These documents will be stored in the appropriate RFP folder.
8.0	As Needed/Multi-Vendor Selection: In some cases, PM may select more than one prime consultant to provide services. For example, for a survey contract – PM may specify in the Request for Proposal (RFP) that we need up to xx number of contractors to perform the survey work. So out of all the submitted proposals PM will select xx best vendors to do the work.			
8.1	Creating Project Specific Scope			
8.1.1	System must allow Project Manager to add / edit Project Specific Scope Details (example: Project Description, Anticipated Start Date, Anticipated End Date, Contract Specific Cost Estimate) so that Project Specific Scope can be created.		X	As described throughout, interfaces will be configured for each role, and each activity that needs to be performed. During the requirements phase, the details of the project specific activity will be documented. Interfaces will be configured to store all the pertinent fields, such as description, start date, cost estimate, etc. This data will be saved as part of the project record.
8.1.2	System must allow Project Manager to add / edit Vendor Details (examples: name, reason the vendor was selected, primary contact) of all the selected vendor(s) for the Project Specific Scope.		X	A project vendor details interface will be configured to store all the fields required about the selected vendor(s). As with everything in the system, data can be secured by user role so that only those with a reason to view the data will have access.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
8.1.3	System must allow all the selected vendor(s) to submit price proposal for the Project Specific Scope.		X	The RFP application will be fully integrated into the Vendor portal. As vendors are responding to RFPs, they will have RFP specific interfaces to allow them to enter the pertinent data, or upload documents. The interface will include details and fields to include the defined project specific scope.
8.1.4	System must allow user to create contract(s) for the Project Specific Scope.		X	The project specific scope fields will include a contracts table to allow for one or more contact and details to be entered.
8.1.5	System must maintain a relationship between the Parent Scope and all of its Project Specific Scope(s) and provides an option to display details of all the Parent Scope along with related Project Specific Scope(s).		X	Managing data and its relationships are one of the key components of the platform on which the Solution is built. A relationship will be defined that connects the Parent Scope to one or more Project Specific Scope records.
9.0	Technical Proposals Review and Vendor Selection: Provides ability for the user to Review and Approve proposal, assign Contract Administrator to proposal, score vendors based on submitted proposals and finalize vendor for the proposal.			
9.1	All Project Tier			
9.1.1	System must allow user to select the Scope / RFP for which the vendor's proposal will be evaluated / selected.		X	The first step of the scoring process will be to select, from a dropdown, the appropriate RFPs / Scope to score.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
9.1.2	System must allow Project Manager to check whether the proposal submitted by the vendor is qualified for scoring or not.		X	The Project Manager will be able to page through the vendor submittal interface to view all the uploaded information and documents.
9.1.3	System must allow Project Manager to add comments if the proposal submitted by the vendor is not qualified for scoring.		X	As part of the vendor submittal interface, an internal-only feedback interface will be configured. This interface will include any fields that are necessary for this feedback, such as a comments block, or checkboxes to indicate invalidity reasons.
9.1.4	System should email vendor specifying why the proposal submitted by the vendor is non-responsive (not qualified for scoring).		X	This notification will be configured as part of the RFP workflow.
9.2	Scoring Vendors			
9.2.1	System must provide an ability for the user to add / edit the master list of Vendor Selection Criteria so that each vendor can be scored against these criteria.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Vendor Selection Criteria master list will be included in this interface so the list options can be added, deleted, or updated.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
9.2.2	System must allow Project Manager to add / edit Team Member details (example: Name, Email, Immediate Supervisor) who will be responsible for scoring each vendor proposals submitted in response to the RFP.		X	At the beginning of the Vendor Scoring workflow, the Project Manager will select the appropriate team members who will participate in the process. Once users are selected, tasks will be assigned, tracked, and managed by the workflow process.
9.2.3	System must allow the selected team members to select Vendor Selection Criteria(s) against which scoring will be done, Score Vendor Proposals against each of the Criteria and write comments whenever needed for all vendors.		X	Interfaces will be configured to capture all the user scoring feedback. Once the Vendor Selection Criteria is selected from the dropdown choice list, the interface will include all the applicable fields to be completed (scored).
9.2.4	System must allow user to generate the Vendor Scoring Sheet based on the scores and comments of the selection team.		X	Once scoring is complete, the data will be formatted into the scoring sheet. This document will be based on a template that is configured per MDOT requirements.
9.3	Review Vendor Scoring and Finalize Vendor			
9.3.1	System must allow user to set up a workflow process to support review, approval / denial of vendors based on the scoring of vendor selection criteria(s) by selected team members.		X	As with other sections described previously, workflow is core to the Solution. Based on MDOT's specific requirements, the Contractor will configure the appropriate workflow steps to meet the requirements of the review, approval/denial of vendors business process. The workflow will manage and track the actions of each user participating in the process.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
9.3.2	System must provide an ability for the user to Assign Contract Administrator to the proposal once the vendor is approved.		X	As part of the approval workflow process, one step will be to select Contract Administrator
9.3.3	System must generate a weekly Approved Selections Report which will includes proposal details, vendor (approved/denied) for the proposal, approval data along with approved vendor's score.		X	Reports are a key component of the Solution and can be configured based on any data available to the Solution (including internal RFP or workflow data as well as data that comes from integrated systems). As part of the project, the Contractor will configure the required reports, such as the weekly Approved Selections Report described here.
9.3.4	System will provide an ability to post the Vendor Approved Report which will includes proposal details, vendor (approved/denied) for the proposal, approval data along with approved vendor's score on the public site.		X	All reports and documents can be downloaded from the Solution. It's not clear from this requirement where the document will be posted, but the Contractor will work with MDOT during requirements and design to determine the best approach for this.
9.3.5	System will Email Project Manager once the vendor approved report is generated and posted publicly.		X	This notification will be configured as part of the RFP workflow.
9.3.6	System will provide an ability to email vendor(s) notifying their approval / denials along with scoresheets, once the vendor approved report is generated and posted publicly.		X	This notification will be configured as part of the RFP workflow.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
10.0	Price Proposal: Price proposal is the Vendor's (Both Prime and Sub(s)) pricing for a potential contract. It categorizes the price that the vendor will charge for the project.			
10.1.1	System must provide an ability for the user to add / edit the master list of Payment Methods.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Payment Methods master list will be included in this interface so the list options can be added, deleted, or updated.
10.2	Prime Vendor Responsibility			
10.2.1	System must allow Prime Vendor to select a project / scope that has been awarded to the prime vendor and for which Price Proposal needs to be submitted.		X	Using the secure Vendor Portal, each vendor will be able to act on projects that have been awarded. This can be done either by allowing them to select from awarded contracts, or to participate in a workflow where a specific task has been assigned to them, that notifies them to submit the price proposal.
10.2.2	System must allow Prime Vendor to select Payment Method(s) for the Prime Vendor to get paid.		X	Vendor will select the Payment Method(s) as part of the pricing proposal interface.
10.2.3	System must display the DBE Consultant Participation details (examples: DBE Goal(%), DBE Participation Proposed (%), List of all Sub Vendors who are DBE Certified).		X	The pricing proposal interface will be configured to display this information.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
10.2.4	System must allow Prime Vendor to notify all Sub Vendor(s) that they need to enter their Cost Details, Labor Escalation Details and Direct Expenses for the proposal.		X	A workflow will be configured to manage this Vendor-to-Vendor communication / tasks.
10.2.5	System must allow Prime Vendor to review and confirm the Cost Details, Labor Escalation Details and Direct Expenses entered by the Sub Vendor(s).		X	Once the Sub Vendor has completed entering the data, they will complete the task and it will return to the Prime Vendor for approval.
10.2.6	System must allow the Prime Vendor to generate the Price Proposal based on the data entered by all the vendors.		X	The Contractor assumes this is another example of a document being generated from record data. We will work with MDOT to define this document template to the system or create a new one if one doesn't exist. Once the Prime Vendor has completed entering data, this data will be populated into the template and stored in the system.
10.2.7	System must allow Prime Vendor to notify the PM that Price Proposal is ready for review.		X	Once the Prime Vendor completes the Price Proposal task, MDOT will be notified that it is ready for review.
10.2.8	System must allow Prime Vendor to specify Mentor / Protégé for Prime and all sub vendor(s) if Mentor-Protégé Program (MP) is set to "Yes" in the scope.		X	These fields will be configured (and set to required if appropriate) as part of the Vendor interface if the MP field is set to Yes.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
10.3	Prime and Sub Vendor Responsibility			
10.3.1	System must allow Prime and Sub Vendor(s) to add / edit their Cost Details including total hours worked and hourly rate for each classification while creating the price proposal.		X	These fields will be configured as part of the price proposal vendor interface. As with all solution interfaces, fields will be organized in a way that makes it easy to enter data. Interfaces can be dynamic, and change based on prior data entered. Fields can be marked as required or can have format rules assigned to them which helps to ensure data accuracy.
10.3.2	System must allow Prime and Sub Vendor(s) to add / edit their Labor Escalation Details (2% escalation per year) while creating the price proposal.		X	These fields will be configured as part of the price proposal vendor interface. As with all solution interfaces, fields will be organized in a way that makes it easy to enter data. Interfaces can be dynamic, and change based on prior data entered. Fields can be marked as required or can have format rules assigned to them which helps to ensure data accuracy.
10.3.3	System must allow prime and sub vendor(s) to add / edit their Direct Expenses Details (examples: item description, quantity, unit price of each item) while creating the price proposal.		X	These fields will be configured as part of the price proposal vendor interface. As with all solution interfaces, fields will be organized in a way that makes it easy to enter data. Interfaces can be dynamic, and change based on prior data entered. Fields can be marked as required or can have format rules assigned to them which helps to ensure data accuracy.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
10.3.4	System must allow the Prime and all Sub Vendor(s) to select their Approved Overhead Rates (%) and FCCM Rates (%) while creating the price proposal.		X	These fields will be configured as part of the price proposal vendor interface. As with all solution interfaces, fields will be organized in a way that makes it easy to enter data. Interfaces can be dynamic, and change based on prior data entered. Fields can be marked as required or can have format rules assigned to them which helps to ensure data accuracy.
10.3.5	System will notify the Prime Vendor whenever a sub vendor finish entering their Cost Details, Labor Escalation Details or Direct Expenses while creating the price proposal.		X	This notification will be configured as part of the RFP workflow.
10.4	Report			
10.4.1	System must provide a report to display Mentor Protégé details (example: vendor name, type, protege (Y/N), mentor (Y/N), Total hours, total labor costs, total overhead, total costs) for all vendors for each Contract / Scope.		x	Reports are a key component of the Solution and can be configured based on any data available to the Solution (including internal RFP or workflow data as well as data that comes from integrated systems). As part of the project, the Contractor will configure the required reports, such as the Mentor Protégé Details Report described here.

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ID #	Business Specification			Current Capability	Requires Configuration	Contractor must meet the Business Specification.
11.0	Contracting: A contract is a document that specifies the agreement between Prime Vendor and MDOT. Once a contract is created, MDOT reviews it and then send it to Prime Vendor for review and signature. Once successfully reviewed and signed by Prime Vendor, MDOT's Authorized signer signs it.					
11.1	Create Contract					
11.1.1	System must provide an ability for the user to add / edit the master list of Contract Templates.				X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Contract Templates master list will be included in this interface so the list options can be added, deleted, or updated. The Contractor assumed this field will map to a document template that defines how the contract will be laid out. We will work with the state to load these templates to the system or create them if applicable.
11.1.2	System must provide an ability for the user to add / edit the master list of Grant Types.				X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Grant Types master list will be included in this interface so the list options can be added, deleted, or updated.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
11.1.3	System must provide an ability for the user to add / edit the master list of Contract Types.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Contract Types master list will be included in this interface so the list options can be added, deleted, or updated.
11.1.4	System must provide an ability for the user to add / edit the master list of Contract Statuses.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Contract Status master list will be included in this interface so the list options can be added, deleted, or updated.
11.1.5	System must allow user to select a scope while creating the contract if a scope has already been created for the contract.		X	The Contractor will configure the user interface details and layout to allow for an MDOT employee to enter data associated with the contract. This data can be copied from data that exists from the RFP process, such as the documented scope.
11.1.6	System must allow user to add / edit contract details (example: contract description, location, Business Area, Awarded / Effective / Expiration date, type, administrator, template, project manager) so that contract can be created.		X	In addition to utilizing data that exists from previous work activities (such as scope), new data can be entered. The user interface will be configured to allow for new data entry, such as description, location, applicable dates, or project manager. As with other user interfaces, data can be structured and validated per business rules. Or it can be pulled from other internal systems of record.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
11.1.7	System must display details of the Prime and all the sub vendors if the vendor(s) has already been finalized for the contract.		X	Vendor details will be pulled from the Vendor component of the solution as well as any pertinent info that was finalized during the RFP process.
11.1.8	System must provide an option to the user to select Vendor(s) for the Contract if the vendor(s) has not already been finalized for the contract.		X	An interface will be configured to allow for the assignment of Vendor and Sub Vendor. Details can be pulled from the Vendor record on file.
11.1.9	System must allow user to export the Contract in MS Word or PDF format based on the contract details entered and re selected by the user.		X	As described previously, document generation from template is a capability of the platform on which the Solution is configured. The Contractor will utilize this functionality to take contract data and format it into a Word document that can be reviewed and approved. Once complete, the document can be generated into PDF.
11.2	Review and Award Contract			
11.2.1	System must allow user to set up a workflow process to support review and approval of the contract.		X	As with other sections described previously, workflow is core to the Solution. Based on MDOT's specific requirements, the Contractor will configure the appropriate workflow steps to meet the requirements of the review and approval process for contracts. The workflow will manage and track the actions of each user participating in the process.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
11.2.2	System must allow user to set up an Authorized Signer for the contract.		X	This will be configured as part of the contract creation process.
11.2.3	System must send the contract to Prime Vendor for e-signature once the contract has been successfully reviewed.		X	e-Signature is a core component of the Solution and part of the contract workflow. The Contractor will configure the Vendor signature request as part of the contract process.
11.2.4	System must send the contract to Authorized Signer for e-signature once the contract is signed by the Prime Vendor.		X	Once the Prime Vendor has signed the contract, the workflow will send the contract on to the Authorized Signer. Both signatures are managed by the workflow engine so activities can be tracked and managed.
11.2.5	System will email Prime Vendor, Payment Area, Project Manager and Contract Administrator notifying that the contract is awarded once the contract has been signed by both Prime Vendor and Authorized Signer.		X	This notification will be configured as part of the contract creation workflow.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
11.3	Reports			
11.3.1	System must provide a report to display various contract details (example: contract number, start / end date, status, type, business area, job number, tier, PM assigned) for all the awarded contracts.		X	As described previously, reports are an integral component of the Solution. Visual reports and dashboards can be configured using any data or workflow details that exist in the system. Furthermore, this data can be combined and augmented with data from other internal MDOT systems. The Contractor will configure the reports necessary to understand the various contract details described in this requirement.
12.0	Agendas: Agendas are related to contracts. Once a contract is created, user can set up the agenda for the contract. An Agenda can have multiple contracts associated with it. Once an agenda is generated it is reviewed and signed by authorized signer.			
12.1.1	System must provide an ability for the user to add / edit the master list of Agenda Types.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Agenda Types master list will be included in this interface so the list options can be added, deleted, or updated.

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ID #	Business Specification			Current Capability	Requires Configuration	Contractor must meet the Business Specification.
12.1.2	System must provide an ability for the user to add / edit the master list of Agenda Statuses.				X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Agenda Status master list will be included in this interface so the list options can be added, deleted, or updated.
12.2	Generate Agenda					
12.2.1	System must allow user to add / edit agenda details (example: agenda type, status, summary, state administrative board / state transportation commission / director meeting details) so that Agenda can be created.				X	Similar to the contract creation process, agendas will be created by a user working in the agenda interface to key in the appropriate data. The user interface will be configured to allow for new data entry, such as agenda type, summary, state administration board, etc. As with other user interfaces, data can be structured and validated per business rules. Or can be pulled from existing Contract or Vendor records, or other internal MDOT systems.
12.2.2	System must allow user to assign contract(s) to the Agenda.				X	Existing contracts can be selected and associated with the Agenda.
12.2.3	System must allow user to add purchasing information to the Agenda.				X	An interface will be configured to allow for the entry of purchasing information.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
12.2.4	System must allow user to generate the agenda in MS Word or PDF format based on the agenda details and agenda type entered by the user.		X	Solution will be configured to select the relevant agenda template based on the agenda type. The system will populate the entered details into the template and generate a Word or PDF document.
12.3	Review and Sign Agenda			
12.3.1	System must allow user to set up a workflow process to support review and approval of the Agenda.		X	Workflow is a core capability of the Solution. An agreement approval process will be configured to include all the necessary roles and steps to complete the review process. Notification and escalation are core features of the workflow engine.
12.3.2	System must send the agenda to Authorized Signer for e-signature once the agenda has been successfully reviewed.		X	e-Signature is a core component of the Solution and part of the agreement workflow. The Contractor will configure the Authorized Signer signature request as part of this process. The signer will be notified and instructed how to accomplish the signing process.
12.3.3	System will email the approved agenda to Contract Distribution List once it's signed by the Authorized Signer.		X	This notification will be configured as part of the agenda creation workflow.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
12.4	T&NR Meeting and AD Board Meeting			
12.4.1	System must allow user to enter the outcome of T&NR meeting where the agenda was discussed.		X	T&NR meeting fields will be created to store the outcome of this agenda meeting. The fields can be keyed in by the appropriate MDOT resource. If applicable, a document upload capability will be included to upload the meeting minutes document.
12.4.2	System must allow user to enter the outcome of Ad Board Meeting where the agenda was discussed.		X	Ad Board meeting fields will be created to store the outcome of this agenda meeting. The fields can be keyed in by the appropriate MDOT resource. If applicable, a document upload capability will be included to upload the meeting minutes document.
12.5	Reports			
12.5.1	System must provide a report to display the entire workflow (example: agenda type, generated date, status, review complete date, signed date, T&NR Meeting Date, Ad Board Meeting Date) for all the agendas within a certain date range.		X	An Agenda Detail report will be created to display relevant details of all agendas for a specific time period. As with all reports that are configured for the Solution, the results can be filtered, sorted, and exported to Excel.
12.5.2	System will provide a Write Ups Report to display contract details (example: contract number, description, total count) based on agenda generated date range (start date / end date).		X	This report will be configured as per the requirements.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
13.0	<p>Project Authorization, Modification and Project Request Form (PRF): The Project Authorization summarizes key project information, vendor information, and funding details. Project Request Form (PRF) is currently used to get funding approval for Contract, Master Agreement, Project Authorization, Non-Contractual and Modification. Modification caters to modifying an existing Master Agreement or Project Authorization or Contract. For both Project Authorization and Modification, once generated it is reviewed by MDOT, and then signed by both prime vendor and MDOT’s Authorized Signer. PRF is reviewed by MDOT, and then signed by MDOT’s Authorized Signer.</p>			
13.1.1	System must allow user to add / edit the Master Agreement Details and generate the Master Agreement.		X	This functionality will be like the previous descriptions of document generation (contracts, agreements, etc.). A user interface will be configured to allow the entry of Master Agreement data. From that data, a template will be populated with the information to create the Master Agreement document.
13.2	Creating Project Authorization or Non-Contractual			
13.2.1	System must provide an ability for the user to add / edit the master list of Project Authorization Statuses.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The Project Authorization Status master list will be included in this interface so the list options can be added, deleted, or updated.
13.2.2	System must provide an option for the user to select the "Master Agreement" so that Project Authorization can be created.		X	The project authorization workflow process will allow the user to initiate the creation of the Project Authorization by selecting the Master Agreement from the system.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
13.2.3	System must allow user to add / edit Project Authorization details (examples: period start / end date, grant details, funding details, business area, federal contract details, project details, toll credits) so that Project Authorization can be created.		X	Like the contract or agreement creation process, Project Authorizations will be created by a user working in the authorization interface to key in the appropriate data. The user interface will be configured to allow for new data entry, such as period start/end dates, grant details, business area, etc. As with other user interfaces, data can be structured and validated per business rules. Alternatively, data can be pulled from existing Contract or Vendor records, or other internal MDOT systems.
13.2.4	System must allow user to upload any additional document that user feels appropriate while creating the Project Authorization.		X	A document upload functionality will be included in the Project Authorization interface to allow for documentation to be uploaded and categorized.
13.2.5	System must allow user to add / edit subcontractor details (examples: subcontractor name, approved date, effective date, expiration date, payment basis, amount, modification total) for all the subcontractor(s) associated with the Project Authorization.		X	The Project Authorization process will include an interface to allow for the entry of subcontractor details. If applicable, these details can be pulled from the associated project or vendor records.
13.2.6	System must allow user to set up a workflow process to Review Subcontractor Information.		X	Workflow is a core capability of the Solution. A subcontractor review process will be configured to include all the necessary roles and steps to complete the review process. Notification and escalation are core features of the workflow engine.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
13.2.7	System must allow user to generate a Project Authorization in MS word or PDF format based on the Project Authorization details entered by the user.		X	The Project Authorization form will be created by populating the form template with data entered by the user.
13.2.8	System must provide an option for the user to generate the Project Request Form (PRF) document for Prior Authorization based on the Project Authorization details entered by the user.		X	The generation of the Project Request Form will be like the functionality described for the Project Authorization. A template will be used and populated with data from the system. The generated document can be in Word or PDF format.
13.3	Modification (Modify an existing Master Agreement or Project Authorization)			
13.3.1	System must allow user to add / edit Modification details (example: modification type, amount, effective / awarded date, non-account funding / account funding details) so that modification of Master Agreement or Project Authorization can be created.		X	The same user interface used to create the Master Agreement or Project Authorization will be used to edit the existing document. If required, additional fields will be configured to capture the modification date or reason.
13.3.2	System must allow user to generate a Modification in MS word or PDF format based on the modification details entered by the user.		X	Upon complete of the data entry, the new modified Agreement or Authorization document will be created. The original document will be retained but can be hidden or moved to an archived location, if required.
13.3.3	System must provide an option for the user to generate the PRF document for Modification.		X	As with other template driven documents, this will be included.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
13.4	Review and e-sign Project Request Form (PRF)			
13.4.1	System must provide an ability for the user to add / edit the master list of PRF Statuses.		X	The Solution will include an administrative interface that allows MDOT associates, in the appropriate security role, to configure changes to the system. The PRF Status master list will be included in this interface so the list options can be added, deleted, or updated.
13.4.2	System must allow user to set up a workflow process to support review, approve / cancel / terminate of the PRF.		X	Workflow is a core capability of the Solution. A PRF approval process will be configured to include all the necessary roles and steps to complete the review process. Notification and escalation are core features of the workflow engine.
13.4.3	System must allow user to set up the Authorized Signer for PRF.		X	This will be included as part of the PRF approval workflow.
13.4.4	System must send the PRF Form to Authorize Signer for e-Signature once it has been successfully reviewed.		X	This will be included as part of the PRF approval workflow. The signing process will be integrated and managed.
13.4.5	System will email Contract Administrator notifying that the PRF is Approved once the Authorized Signer e-signs it.		X	This notification will be configured as part of the PRF workflow.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
13.5	Review Project Authorization or Modification			
13.5.1	System must allow user to set up a workflow process to support review, approve / cancel / terminate of the Project Authorization or Modification.		X	This will be configured and included.
13.5.2	System must allow user to set up the Authorized Signer for Project Authorization or Modification.		X	This will be included as part of the Project Authorization and Modification approval workflows.
13.5.3	System must send the Project Authorization or Modification to Prime Vendor for e-signature once it has been successfully reviewed.		X	This will be included as part of the Project Authorization and Modification approval workflows. The signing process will be integrated and managed.
13.5.4	System must send the Project Authorization or Modification to Authorize Signer for e-Signature once Prime Vendor signs it.		X	This will be included as part of the Project Authorization and Modification approval workflows. The signing process will be integrated and managed.
13.5.5	System will email Contract Administrator notifying that the project authorization or modification is awarded once the Authorized Signer e-signs it.		X	This notification will be configured as part of the Project authorization/modification workflow.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
14.0	Contract Modification: Modification is basically a change to existing contract which has been either awarded or expired.			
14.1.1	System must provide an ability for the user to add / edit the master list of Contract Modification Statuses.		X	The Contract Modification Status master list will be included in the administrative interface so an MDOT admin can easily modify this list.
14.1.2	System must provide an ability for the user to add / edit the master list of Contract Modification Types.		X	The Contract Modification Type master list will be included in the administrative interface so an MDOT admin can easily modify this list.
14.1.3	System must provide an ability for the user to add / edit the master list of Contract Modification Formats.		X	The Contract Modification Format master list will be included in the administrative interface so an MDOT admin can easily modify this list.
14.1.4	System must provide an ability for the user to add / edit the master list of Contract Payment Basis.		X	The Contract Modification Basis master list will be included in the administrative interface so an MDOT admin can easily modify this list.
14.1.5	System must provide an ability for the user to add / edit the master list of Contract Funding Sources.		X	The Contract Funding Sources master list will be included in the administrative interface so an MDOT admin can easily modify this list.

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ID #	Business Specification			Current Capability	Requires Configuration	Contractor must meet the Business Specification.
14.1.6	System must provide an ability for the user to add / edit the master list of Contract Modification Templates.				X	The Contract Modification Templates master list will be included in the administrative interface so an MDOT admin can easily modify this list. If this requires new templates to be added, The Contractor will work with MDOT to create and upload these templates.
14.2	Modifying a Contract					
14.2.1	System must allow user to add / edit contract modification details (example: modification description, type, amount, template, effective / expiration date) only for contracts which are either been awarded or expired so that modification can be created.				X	An interface will be configured that includes all the necessary details to modify a contract. Fields such as modification description, type, amount, etc. will be included. The list of contracts available for this feature will be limited to awarded or expired.
14.2.2	System must allow user to select Vendor(s) for the Modification of contract.				X	A vendor selection list will be included.
14.2.3	System must allow all the selected Vendor(s) to enter their Price Proposal information for the Modification of contract.				X	A contract modification workflow will be designed and configured that includes the necessary participants and steps for this process. Price Proposal entry will be included in this workflow.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
14.2.4	System must allow user to generate Modification of the contract in MS Word or pdf format based on the template selected.		X	Once data entry is complete and validated, the contract modification document will be generated from the template.
14.3	Review and Award the Modified Contract			
14.3.1	System must allow user to set up a workflow process to support review, award / cancel / terminate and digital signing of Modification of Contract similar to original Contract.		X	This will be part of the Contract Modification workflow.
15.0	Invoicing: Prime Vendor will submit their invoices from Lamda to get paid. This invoice will include the amount due to prime and sub vendor(s).			
15.1.1	System must provide an ability for the user to add / edit the master list of Invoice Statuses.		X	The Invoice Status master list will be included in the administrative interface so an MDOT admin can easily modify this list.
15.1.2	System must provide an ability for the user to add / edit the master list of Task Codes along with Description.		X	The Task Code master list will be included in the administrative interface so an MDOT admin can easily modify this list. A task code description will also be included.

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ID #	Business Specification			Current Capability	Requires Configuration	Contractor must meet the Business Specification.
15.2	Submitting Invoice					
15.2.1	System must allow Prime Vendor to add / edit invoice details (example: billing details, job details, direct expenses) so that prime vendor can generate and submit invoice for themselves and their sub vendors only for contracts that's been awarded to them.				X	As part of the secure vendor portal, an invoicing capability will be configured. This functionality will include an interface configured to capture all key data necessary to create and submit the invoice. Billing details, job details, etc. will be included in this interface. Vendors will only see and be able to create invoices for those contracts they've been awarded.
15.2.2	System must provide an option to the Prime Vendor to upload any supporting documents along with the invoice.				X	Document upload functionality will be included, along with the ability to assign a document type.
15.3	Review/Approve/Reject Invoice					
15.3.1	System must allow user to set up a workflow process to support review, approve / reject invoices submitted by the Prime Vendor.				X	A workflow will be configured to manage the steps and participants required for the invoice review and approval process. This workflow will get kicked off upon receipt of a new invoice.
15.3.2	System must email Prime Vendor whenever their Invoice is rejected specifying why the invoice was rejected.				X	This will be configured as part of the invoicing workflow.

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ID #	Business Specification			Current Capability	Requires Configuration	Contractor must meet the Business Specification.
15.4	Report					
15.4.1	System must provide a report to display invoice details for each contract (example: contract details (contract number, job number, location, start / end date, % complete), invoice details (invoice number, date, status) for both Prime and Sub Vendor(s).				X	The invoice details report will be configured. It will include the necessary details such as contract number, job number, invoice date, etc. As with all reports, this report will be available to those MDOT employees with the security rights to view it.
16.0 Close Out of Contracts: All the MDOT contracts needs to be closed once the contract is over (Contract Status is either “Expired” or “Terminated”). User will select the contract, enter close out details and will proceed with the close out of the contract.						
16.1.1	System must provide an ability for the user to add / edit the master list of Close Out Statuses.				X	The Close Out Status master list will be included in the administrative interface so an MDOT admin can easily modify this list.
16.1.2	System must display a list of contracts that are ready to the closed out only when the final invoice for the contract is approved or the contract is either terminated or expired.				X	A key capability of the Solution is the ability to display and filter contract records based on data about those contracts. An interface will be configured to display contracts ready for close out, based on these key data points. From this list, an authorized user will start the close out process.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
16.1.3	System must allow user to add / edit close out details (example: close out status, start date, end date, letter send out date, total invoice amount, total paid / adjusted amount) so that close out of the contract can be submitted.		X	An interface will be configured that includes all the necessary details to close out a contract. Fields such as closeout status, start dates, total invoice amount, etc. will be included.
16.2	Reports			
16.2.1	System must provide a report displaying details of all closed out contracts (example: contract id, description, status, expired date, PM assigned, prime / sub vendor, close out status, invoiced amount) based on their close out status and date range .		X	The contract closed out details report will be configured. It will include the required details such as contract id, description, expiration date, etc. As with all reports, this report will be available to those MDOT employees with the security rights to view it.
17.0	Audit: Once a contract is expired (Today's Date > Contract End Date), the business area will review the contract information to determine whether an audit is needed or not and if needed will send an audit request to Office of Commission Audit (OCA). OCA will then decide whether the contract will be audited or not. If OCA decides to audit, an auditor will be assigned. Auditor will then perform the audit. If Vendor disagrees with the Audit outcome, they may appeal against the audit.			
17.1.1	System must provide an ability for the user to add / edit the master list of Audit Statuses.		X	The Audit Status master list will be included in the administrative interface so an MDOT admin can easily modify this list.
17.1.2	System must provide an ability for the user to add / edit the master list of Audit Types.		X	The Audit Type master list will be included in the administrative interface so an MDOT admin can easily modify this list.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
17.1.3	System must provide an ability for the user to add / edit the master list of Business Areas.		X	The Business Area master list will be included in the administrative interface so an MDOT admin can easily modify this list.
17.2	Generate Audit			
17.2.1	System must allow user to add / edit audit details (example: contract details, reason for audit, audit type, business area, job number) so that an Audit Request can be generated.		X	An interface will be configured that includes all the contract data required to generate an audit. Upon completion of the data entry, the Contract Audit workflow will be launched. This workflow will manage the steps required to track the audit.
17.2.2	System must send a notification to Office of Commission Audit (OCA) once an Audit Request is generated.		X	This will be configured as part of the audit workflow.
17.2.3	System must provide an option for Office of Commission Audit (OCA) to either Accept or Reject the Audit request.		X	This will be configured as part of the audit workflow.
17.2.4	System must provide an option for Office of Commission Audit (OCA) to enter the Reason for Rejection if OCA rejects the Audit request.		X	This will be configured as part of the audit workflow.
17.2.5	System must allow user to assign an auditor and start the audit process if Office of Commission Audit (OCA) Accepts the Audit request.		X	This will be configured as part of the audit workflow. User assignment can be accomplished using a dropdown list of all users in the Auditor role.

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ID #	Business Specification			Current Capability	Requires Configuration	Contractor must meet the Business Specification.
17.3	Complete Audit					
17.3.1	System must allow Auditor to add / edit audit completion report details (example: audit report number, report date, report issued date, number of projects, comments) once the Audit is completed.				X	The Auditor will document the audit in an interface configured to collect the required details. Fields such as audit report number, report date, number of projects, etc. will be included.
17.3.2	System must allow Auditor to enter reported amount and adjustment amount for various categories (example: labor, fringe benefit, material, equipment, indirect costs, overhead, subcontractor cost, fixed fee) once the audit is completed.				X	These details will also be included in the auditor interface.
17.4	Vendor Appeal Against Audit					
17.4.1	System must provide an ability for the user to add / edit the master list of Appeal Statuses.				X	The Appeal Status master list will be included in the administrative interface so an MDOT admin can easily modify this list.
17.4.2	System must allow vendor to add / edit appeal details (example: appeal date, reason for appeal, appeal item(s), appeal amount) so that vendor can appeal against the Audit.				X	Once the audit details have been shared to the vendor in their secure portal, the vendor may request an appeal. Once the vendor enters the details in the appeal interface, the Audit Appeal workflow will be launched.

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ID #	Business Specification			Current Capability	Requires Configuration	Contractor must meet the Business Specification.
17.5	Create Concurrence					
17.5.1	System must provide an ability for the user to add / edit the master list of Concurrence Statuses.				X	The Concurrence master list will be included in the administrative interface so an MDOT admin can easily modify this list.
17.5.2	System must allow user to add / edit concurrence details (example: outstanding amount, questioned amount, concur memo sent date, concur memo returned date, appeal date) once the audit is completed.				X	An interface will be configured that includes all the necessary details for a user to add or edit the concurrence details. Fields such as outstanding amount, concur memo sent date, etc. will be included.
17.5.3	System must notify user for any overdue concurrences (60 days has passed since the concurrence memo was send out but it has not been returned by vendor yet) once the audit is completed.				X	Managing key deadlines and escalations is a core functionality of the included workflow engine. During the requirements and design phase of the project, these workflow requirements will be documented and incorporated in the workflow.
17.6	Reports					
17.6.1	System must provide a report to display Audit Report Details (example: report number, contract number, vendor name, responsible area, issued date, concurrence status, memo send / returned date) based on Audit Report Issued date range (Start / End Date).				X	The Audit Report Details will be configured and included in the solution. Reports can also be filtered dynamically, and the data exported to Excel if required. As with all reports, they are secured to the appropriate user roles.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
17.6.2	System must provide a report to display Audit Summary (example: report number, review period, number of projects, issued date, reported amount, due agency / state, questioned amount) based on Audit Report Issued date range (Start / End Date).		X	The Audit Summary report will be configured and included in the solution. Reports can also be filtered dynamically, and the data exported to Excel if required. As with all reports, they are secured to the appropriate user roles.
17.6.3	System must provide a report to display contract details (example: contract number, title, administrator, status, expiration date, audit status, vendor name, total authorized amount) based on Business Area, Audit Statuses and Contract Statuses.		X	The Contract Details report will be configured and included in the solution. Reports can also be filtered dynamically, and the data exported to Excel if required. As with all reports, they are secured to the appropriate user roles.
17.6.4	System must provide a report to display various audits (example: audit type, start / end date, report issued date, OCA job number, number of contract / projects, job number) issued within a date range (Audit Report Issued Start Date / End Date).		X	The Audit report will be configured and included in the solution. Reports can also be filtered dynamically, and the data exported to Excel if required. As with all reports, they are secured to the appropriate user roles.
17.6.5	System must provide a report to display Outstanding Audit Concurrence Information (example: Audit type, report number, issued date, contract number, concur memo sent, appeal send to DART) within a date range (Audit Report Issued Start Date / End Date).		X	The Outstanding Audit Concurrence report will be configured and included in the solution. Reports can also be filtered dynamically, and the data exported to Excel if required. As with all reports, they are secured to the appropriate user roles.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
18.0	<p>Vendor Evaluation: Once a contract is over, a final vendor evaluation of the Primary and all sub vendor(s) must be performed by the Project Manager if "Need Vendor Evaluation" is set to "Yes" for the contract. Occasionally a PM may decide to an interim evaluation of a vendor even before a contract is over (Contract Status = "Awarded") although this is not mandatory. Similarly, a PM may conduct a post-final evaluation which is not mandatory. Vendor will be evaluated by scoring against a list of questions. System will then calculate the Average Score and display it. If a vendor is evaluated 3 times (Interim, Final and Post-Final) only the last evaluation score will be displayed.</p>			
18.1.1	System must provide an ability for the user to add / edit the master list of Vendor Evaluation Types.		X	The Vendor Evaluation Type master list will be included in the administrative interface so an MDOT admin can easily modify this list.
18.1.2	System must provide an ability for the user to add / edit the master list of Vendor Evaluation Statuses.		X	The Vendor Evaluation Status master list will be included in the administrative interface so an MDOT admin can easily modify this list.
18.1.3	System must allow Project Manager to perform interim evaluation of the Vendor once the contract is awarded to the vendor (Contract Status = "Awarded") and "Need Vendor Evaluation" for the contract is set to "Yes".		X	<p>The Vendor Evaluation activity / workflow will be configured to allow a project manager to perform this function. For each contract, if the data fields contain the required values, this activity will be available for the PM to launch. If the data fields don't meet the requirements, the activity will not be available.</p> <p>In this case if the Contract Status = Awarded and the Need Vendor Evaluation = Yes, then the PM will be able to launch an evaluation of Type = Interim.</p>

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ID #	Business Specification			Current Capability	Requires Configuration	Contractor must meet the Business Specification.
18.1.4	System must allow Project Manager to perform final evaluation of the vendor once the contract for which the vendor is assigned is completed (Contract Status = "Terminated" or "Expired") and "Need Vendor Evaluation" for the contract is set to "Yes".				X	<p>The Vendor Evaluation activity will be configured to allow a project manager to perform this function. For each contract, if the data fields contain the required values, this activity will be available for the PM to launch. If the data fields don't meet the requirements, the activity will not be available.</p> <p>In this case if the Contract Status = Terminated or Expired and the Need Vendor Evaluation = Yes, then the PM will be able to launch an evaluation of Type = Final.</p>
18.1.5	System must allow Project Manager to perform post-final evaluation of the vendor if needed once the final evaluation of the vendor is completed.				X	This will be another configured step in the Vendor Evaluation Workflow activity. It will be configured per details described during initial requirements and design.
18.2	Reports					
18.2.1	System must provide a report to display various contracts for whom the Vendor Evaluation has not been completed yet.				X	The Vendor Evaluation report will be designed and configured per details described during requirements and design.
19.1.1	System must allow vendor to appeal multiple times within specific time frame (calendar days) against Project Manager's vendor evaluation.				X	These rules will be configured as part of the Vendor Evaluation workflow. Number of appeals and calendar days will be calculated to determine if a vendor is entitled to another appeal.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
20.0	Estimated Account Payable (EAP): Annually MDOT closes their books. They must collect an estimated amount (\$) for the work performed through 09/30 which has not been invoiced.			
20.1.1	System must provide an ability for the user to add / edit the master list of EAP Statuses.		X	The EAP Status master list will be included in the administrative interface so an MDOT admin can easily modify this list.
20.1.2	System must allow user to enter the EAP Letter Send Date and EAP Vender Due Date so that reminder email can be send to all prime vendors who has at least one contract that's awarded to them specifying that EAP details are due by "EAP Vender Due Date".		X	An EAP workflow that runs annually will be configured. The interface associated with this workflow will allow the MDOT user to enter the applicable data, such as Send Date and Due Date. The workflow will manage the communication of this information via email to the vendors.
20.1.3	System must allow prime vendors to add / edit their EAP Details (examples: contact details, Job details (job number, vendor name / role, EAP service begin / end date, billing period number, EAP amount, comments)) for the selected contract.		X	An EAP interface will be configured in the secure Vendor Portal. Prime vendors will enter and submit their EAP details for each contract that applies.
20.1.4	System must allow the Payment Tech to review EAP data entered by the Prime Vendor and enter additional EAP details if needed.		X	This will be configured and managed as part of the EAP workflow.

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ID #	Business Specification			Current Capability	Requires Configuration	Contractor must meet the Business Specification.
20.2	Reports					
20.2.1	System must provide a report to display Estimated Account Payable (EAP) details (example: EAP service begin / end date, billing period, amount, revised amount, total amount) for each job associated with a selected contract.				X	The Estimated EAP Details report will be configured per the requirements.
20.2.2	System must provide a report to display contract details (example: number, prime vendor name, payment tech name) based on EAP Statuses.				X	The Contract Details by EAP report will be configured per the requirements.
21.0	Project Specific Agreement (AMS): Project Specific Agreements are between MDOT and Local Agency (City / County / Township). They are mainly used for cost participation and construction projects. LAP and Trunkline agreements can have multiple jobs associated with it. A Permit Agreement will have a permit associated with it.					
21.1	Creating Project Specific Agreement					
21.1.1	System must provide an ability for the user to add / edit the master list of Agreement Statuses.				X	The Agreement Status master list will be included in the administrative interface so an MDOT admin can easily modify this list.
21.1.2	System must provide an ability for the user to add / edit the master list of Agreement Funding Codes.				X	The Agreement Funding Code master list will be included in the administrative interface so an MDOT admin can easily modify this list.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
21.1.3	System must provide an ability for the user to add / edit the master list of Agreement Template Types.		X	The Agreement Template Type master list will be included in the administrative interface so an MDOT admin can easily modify this list.
21.1.4	System must provide an ability for the user to add / edit the master list of Agreement Subtypes.		X	The Agreement Subtype master list will be included in the administrative interface so an MDOT admin can easily modify this list.
21.1.5	System must provide an ability for the user to add / edit the master list of Agreement Work Types.		X	The Agreement Work Type master list will be included in the administrative interface so an MDOT admin can easily modify this list.
21.1.6	System must provide an ability for the user to add / edit the master list of Agreement Obligations.		X	The Agreement Obligations master list will be included in the administrative interface so an MDOT admin can easily modify this list.
21.1.7	System must provide an ability for the user to add / edit the master list of Agreement Funding Programs.		X	The Agreement Funding Program master list will be included in the administrative interface so an MDOT admin can easily modify this list.
21.1.8	System must provide an ability for the user to add / edit the master list of Agreement Types.		X	The Agreement Type master list will be included in the administrative interface so an MDOT admin can easily modify this list.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
21.1.9	System must allow user to add / edit agreement details (examples: agreement status, funding code, deposit, template type, project manager, contract admin, subtype, work type, obligations, funding program) so that Project Specific Agreement can be created.		X	Like the functionality provided for contracts, the Solution provides capability to create and manage Project Specific Agreements. User interfaces will be configured to allow users to enter the applicable details. As with other interfaces, Project Specific Agreement data can be manually entered, pulled from other components of this solution, or integrated from other internal MDOT systems.
21.1.10	System must allow user to upload supporting documents while creating Project Specific Agreement.		X	Document upload capability and the ability to assign a document type will be available as part of the Project Specific Agreement interfaces.
21.1.11	System must allow user to add / edit Job Details (examples: job number, description, location, control section, bid letting date) for all the jobs associated with either Local Agency Program (LAP) or Trunkline Agreement.		X	A Job Details section will be included in the Project Specific Agreement interfaces. All interfaces are dynamic in nature. For example, if the Agreement is associate with LAP or Trunkline, this section would be available. Otherwise, it could be hidden.
21.1.12	System must allow user to add / edit permit details (example: permit description, location, control section, structure number, local agency, remarks) for all the permits associated with the Permit Agreement.		X	A Permit Details section will be included in the Project Specific Agreement interfaces. All interfaces are dynamic in nature. For example, if there are no applicable permits, this section could be hidden. These details will be determined during requirements and design.

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ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
21.1.13	System must allow user to generate an agreement in MS word or PDF format based on template selected and Agreement Details entered by the user.		X	The Agreement document will be generated, from template, based on the details entered by the user.
21.2	Review and e-Sign Project Specific Agreement			
21.2.1	System must allow user to set up a workflow process to support review, approve / cancel / terminate of Project Specific Agreement.		X	A Project Specific Agreement workflow will be configured to manage this process. The user can kick off this workflow once the document is ready to be reviewed.
21.2.2	System must allow user to set up the Authorized Signer for Project Specific Agreement.		X	This will be configured as part of this workflow.
21.2.3	System must send the Project Specific Agreement to Prime Vendor for e-Signature once it has been successfully reviewed.		X	This will be configured as part of the workflow. The vendor will be notified and will access the e-Signature functionality through their Vendor Portal.
21.2.4	System must send the Project Specific Agreement to Authorized Signer for Signature once Prime Vendor signs it.		X	Once the vendor signs the document, the workflow will route the document to the authorized signer for signature.
21.2.5	System should email Local Agency and Project Manager notifying that the Project Specific Agreement is executed once the agreement is signed by Prime Vendor and Authorized Signer.		X	This notification will be configured as part of the Project Specific Agreement workflow.

A	B			C		D
ID #	Business Specification			Current Capability	Requires Configuration	Contractor must meet the Business Specification.
21.3	Modifying a Project Specific Agreement					
21.3.1	System must provide an option for the user to Modify Project Specific Agreement only if the agreement has not been cancelled or terminated.				X	A Modify Project Specific Agreement workflow will be configured in the solution. This activity / workflow will only be available when required conditions exist, i.e., the agreement has not been cancelled or terminated.
21.3.2	System must allow user to set up a workflow process to support review, approve / cancel / terminate and digital signing of modified Project Specific Agreement similar to original Project Specific Agreement.				X	This will be configured as part of the Modify Project Specific Agreement workflow. The review will be launched by the user when ready.
21.4	Reports					
21.4.1	System will provide a report to display agreement details (example: agreement number, status, letting date, job number) for which the letting date has already passed but the agreement has not been sent to Prime Vendor for signature.				X	This report will be configured as per the requirements.
21.4.2	System will provide a report to display all agreements (example: agreement number, date it was send to prime vendor, prime vendor name, job number) where six weeks has passed till the Prime Vendor received the Agreement but has not signed it yet.				X	This report will be configured as per the requirements.

A	B	C		D
ID #	Business Specification	Current Capability	Requires Configuration	Contractor must meet the Business Specification.
21.4.3	System must provide a report to display Agreements where 30 days have passed after Letting date, but Agreement has not been executed.		X	The Agreements Past Letting Date report will be configured per the requirements.
21.4.4	System will provide a report to display all agreements (example: agreement number, date it was send to authorized signer, prime vendor name, job number) where 7 days has passed till the Authorized Signer received the Agreement but has not signed it yet.		X	This report will be configured as per the requirements.
21.4.5	System must provide a report to display agreement details (agreement number, job number, prime vendor name, status, location, funding code) based on Bid Letting date.		X	The Agreement Details per Letting Date report will be configured per the requirements.
21.4.6	System will provide a report to display Agreement details based on Agreement Statuses.		X	This report will be configured as per the requirements.
22.0	Other			
22.1.1	Contractor will support shared use of a ticketing system.		X	The Contractor Solutions utilizes a web-based support system. Support requests can be entered, tracked, and escalated via this website, phone, or email.

SCHEDULE B - PRICING

Pricing must include all costs for the licensing, support, implementation, and training for the Solution.

1. Licensing Fees. A term-based license to be paid annually in advance which covers all intended users of the Solution (please refer to the estimated number and type of users identified in the **User Type and Capacity Section of Schedule A - Statement of Work**).

2. Support Service Fees. The quarterly costs for ongoing support of the Solution (the “**Support Service Fees**”) to meet the requirements of **Schedule D to the Contract Terms - Service Level Agreement**.

3. Implementation Fees. All costs associated with Implementation Services are included below (e.g. configuration, customization, migration, integration, testing, etc.) (the “**Implementation Fees**”). All costs are firm fixed.

The implementation fees include, but not limited to, the costs of a) analyzing and designing the extraction of the CTRAK and AMS application data, b) if required, the transformation of the extracted data, and c) loading of the transformed data into the Solution.

(Continued on next page.)

Description		Per Year					Total
Category	Milestones	1	2	3	4	5	
(1) Licensing Fees		\$ 752,300.00	\$ 752,300.00	\$ 752,300.00	\$ 752,300.00	\$ 752,300.00	\$ 3,761,500.00
(3) Implementation Fees	Project Management - Initiation & Planning	\$ 35,000.00					\$ 35,000.00
	Infrastructure Activities/Provision Environments	\$ 50,000.00					\$ 50,000.00
	Project Management – Ongoing	\$ 40,000.00					\$ 40,000.00
	Requirements and Design Validation	\$200,000.00					\$200,000.00
	Installation and Configuration of Software	\$100,000.00					\$100,000.00
	Configuration, Integration, Migration	\$100,000.00					\$100,000.00
	SOM Digital Standards Review and Approval, Security Accreditation Process	\$75,000.00					\$75,000.00
	Testing and Acceptance	\$75,000.00					\$75,000.00
	Production Rollout	\$75,000.00					\$75,000.00
	Beginning of Maintenance		\$ 20,460.00				\$ 20,460.00
Post Production Warranty (Included in the cost of Solution.)						\$0.00	
(2) Support Services Fees (Paid quarterly at \$9,400.00/quarterly)			\$28,200.00	\$ 37,600.00	\$ 37,600.00	\$ 37,600.00	\$ 141,000.00
Annual Sub-Totals:		\$1,502,300.00	\$800,960.00	\$ 789,900.00	\$ 789,900.00	\$ 789,900.00	
						Total:	\$ 4,672,960.00

* Prorated based on the portion of the year remaining after the Post-Production Warranty.

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4. Postproduction Warranty. The Contractor must provide a 90 calendar days postproduction warranty at no cost to the State. The postproduction warranty will meet all requirements of the Contract, including all Support Services identified in Schedule D.

5. Rate Card for Ancillary Professional Services.

Role	Rate
Project Manager	\$188
Associate Systems Engineer	\$140
Systems Engineer	\$158
Senior Systems Engineer	\$173
Principle Engineer	\$188
Solution Consultant	\$206

Invoice Requirements

All invoices submitted to the State must include: (a) date; (b) purchase order or delivery order; (c) quantity; (d) description of the Solution; (e) unit price; (f) shipping cost (if any); (g) Contractor-generated invoice number and (h) total price.

The State does not pay for overtime or travel expenses.

SCHEDULE C - INSURANCE REQUIREMENTS

Pyramid Solutions Inc.

MA 171 1113 250000000088

Contract, Agreement & Payment Process (CAPP)

- 1. General Requirements.** Contractor, at its sole expense, must maintain the insurance coverage as specified herein for the duration of the Term. Minimum limits may be satisfied by any combination of primary liability, umbrella or excess liability, and self-insurance coverage. To the extent damages are covered by any required insurance, Contractor waives all rights against the State for such damages. Failure to maintain required insurance does not limit this waiver.
- 2. Qualification of Insurers.** Except for self-insured coverage, all policies must be written by an insurer with an A.M. Best rating of A- VII or higher unless otherwise approved by DTMB Enterprise Risk Management.
- 3. Primary and Non-Contributory Coverage.** All policies for which the State of Michigan is required to be named as an additional insured must be on a primary and non-contributory basis.
- 4. Claims-Made Coverage.** If any required policies provide claims-made coverage, Contractor must:
 - a. Maintain coverage and provide evidence of coverage for at least 3 years after the later of the expiration or termination of the Contract or the completion of all its duties under the Contract;
 - b. Purchase extended reporting coverage for a minimum of 3 years after completion of work if coverage is cancelled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Effective Date of this Contract.
- 5. Proof of Insurance.**
 - a. Insurance certificates showing evidence of coverage as required herein must be submitted to DTMB-RiskManagement@michigan.gov within 10 days of the contract execution date.
 - b. Renewal insurance certificates must be provided on annual basis or as otherwise commensurate with the effective dates of coverage for any insurance required herein.
 - c. Insurance certificates must be in the form of a standard ACORD Insurance Certificate unless otherwise approved by DTMB Enterprise Risk Management.
 - d. All insurance certificates must clearly identify the Contract Number (e.g., notated under the Description of Operations on an ACORD form).
 - e. The State may require additional proofs of insurance or solvency, including but not limited to policy declarations, policy endorsements, policy schedules, self-insured certification/authorization, and balance sheets.
 - f. In the event any required coverage is cancelled or not renewed, Contractor must provide written notice to DTMB Enterprise Risk Management no later than 5 business days following such cancellation or nonrenewal.
- 6. Subcontractors.** Contractor is responsible for ensuring its subcontractors carry and maintain insurance coverage.

7. Limits of Coverage & Specific Endorsements.

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	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 20 10 12 19 and CG 20 37 12 19.
Automobile Liability Insurance	
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.	
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	
Privacy and Security Liability (Cyber Liability) Insurance	
Minimum Limits: \$1,000,000 Each Occurrence \$1,000,000 Annual Aggregate	Contractor must have their policy cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.

8. Non-Waiver. This Schedule C 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.

SCHEDULE D – SERVICE LEVEL AGREEMENT

1. For purposes of this Schedule, the following terms have the meanings set forth below. All initial capitalized terms in this Schedule that are not defined in this **Schedule** shall have the respective meanings given to them in the Contract Terms and Conditions.

“Actual Uptime” means the total minutes in the Service Period that the Solution is Available.

“Available” and **“Availability”** have correlative meanings and mean the Hosted Services and Software are available and operable for access and use by the State and its Authorized Users over the Internet in material conformity with the Contract without material performance degradation or inoperability of the Hosting Services or Software, in whole or in part.

“Availability Requirements” means the percentage of time in a Service Period, as set forth in this Schedule, that the Hosted Services and/or Software must be Available, excluding time the Hosted Services and/or Software is not Available solely because of one or more Exceptions.

“Availability Service Level Credits” means a credit of Fees, which credit is payable to the State for failure to meet the Availability Requirement, as set forth in this Schedule.

“Contact List” means a current list of Contractor contacts and telephone numbers set forth in the attached **Schedule D – Attachment 1** to this Schedule to enable the State to escalate its Support Requests, including: (a) the first person to contact; and (b) the persons in successively more qualified or experienced positions to provide the support sought.

“Corrective Action Plan” means Contractor's written analysis of root causes of Service Errors and/or a Delinquency and Contractor's plan for correction of same, as required by and in such detail as required by and in such detail as required by this Schedule, and which upon written approval by the State, will constitute a Change Notice.

“Critical Service Error” has the meaning set forth in Subsection 3.6, Solution Support Service Level Table.

“Exceptions” means Scheduled Downtime or a degradation or inoperability of the Hosted Services solely because of failure of the State's or its Authorized Users' internet connectivity.

“High Service Error” has the meaning set forth in Subsection 3.6, Solution Support Service Level Table.

“Low Service Error” has the meaning set forth in Subsection 3.6, Solution Support Service Level Table.

“Medium Service Error” has the meaning set forth in Subsection 3.6, Solution Support Service Level Table.

“Resolve”, “Resolved”, “Resolution” and correlative capitalized terms mean, with respect to any particular Support Request, that Contractor has corrected the Service Error that prompted that Support Request and that the State has confirmed such correction and its acceptance of it in writing.

“RPO” or **“Recovery Point Objective”** means the maximum amount of potential data loss in the event of a disaster.

"RTO" or "Recovery Time Objective" means the maximum period of time to fully restore the Hosted Services in the case of a disaster.

"Scheduled Downtime" means a scheduled outage of the Hosting Services or Software, or a scheduled period of time during which Contractor is not required to meet the Availability Requirements, as set forth in this Schedule.

"Scheduled Uptime" means the total minutes in the Service Period.

"Service Availability Report" means a report that describes the Availability and other performance of the Hosted Services and Software during the calendar month as compared to the Availability Requirement.

"Service Error" means any failure of any Hosted Service or the Software to be Available or otherwise perform in accordance with the Contract.

"Service Availability Failure" means the Availability Requirements is not met in a Service Period.

"Service Level Metrics" means the required Support Request Response and Resolution times referred to in the Solution Support Service Level Table.

"Service Period" means each calendar month during the Term and any additional periods during which Contractor does or is required to provide the Solution.

"Solution Support Services" means the maintenance and support services Contractor must provide as part of any Solution Contractor provides, as set forth in this Schedule.

"Support Hours" means 6 am to 6 pm ET, Monday through Friday.

"Support Service Level Credits" means the credit set forth in the Solution Support Service Level Credit Table.

"Support Service Level Failure" means a failure to meet the Service Level Metrics set forth in the Solution Support Service Level Table.

"Support Request" means the State's request for Contractor to Respond to and Resolve a Service Error.

"Support Request Classification" means the type and/or severity designation of a Support Request according to and corresponding to the Service Error Classification of a Service Error that is the subject of a Support Request.

"Support Request Response Time" means the period of time, beginning when Contractor receives a Support Request, within which Contractor must acknowledge, in writing, its receipt of the Support Request, as set forth in the Service Level Table.

2. Service Availability and Availability Service Level Credits.

2.1 Availability Requirement. Contractor will make the Hosted Services and Software Available, as measured over the course of each **"Service Period"**, at least 99.98% of the time. Availability will be calculated for the Service Period as follows: $(\text{Actual Uptime} - \text{Total Minutes in Service Period Hosted Services or Software are not Available Due to an Exception}) \div (\text{Scheduled Uptime} - \text{Total Minutes in Service Period Hosted Services or Software are not Available Due to an Exception}) \times 100 = \text{Availability}$.

2.2 Exceptions. No period of Hosted Services and/or Software degradation or inoperability will be included in calculating Availability to the extent that such downtime or degradation is due to one or more **Exceptions**.

2.3 Scheduled Downtime. Contractor must notify the State at least 24 hours in advance of all **Scheduled Downtime**. Scheduled Downtime will: (a) last no longer than 5 hours; (b) be scheduled between the hours of 12:00 a.m. and 5:00 a.m., Eastern Time; and (c) occur no more frequently than once per week; provided that Contractor may request the State to approve extensions of Scheduled Downtime above 5 hours, and such approval by the State may not be unreasonably withheld or delayed.

2.4 Software Response Time. Software response time, defined as the interval from the time the end user sends a transaction to the time a visual confirmation of transaction completion is received, must be less than 2 seconds for 98% of all transactions. Unacceptable response times shall be considered to make the Software unavailable and will count against the calculation of Availability.

2.5 Service Availability Reports. Within 30 days after the end of each Service Period, Contractor will provide to the State Service Availability Report. The report must be in electronic or such other form as the State may approve in writing and shall include, at a minimum: (a) the actual performance of the Hosted Services and Software relative to the Availability Requirement; and (b) if Hosted Service performance has failed in any respect to meet or exceed the Availability Requirement during the reporting period, a description in sufficient detail to inform the State of the cause of such failure and the corrective actions the Contractor has taken and will take to ensure that the Availability Requirement is fully met.

2.6 Remedies for Service Availability Failures.

(a) In the event of a Service Availability Failure, Contractor will issue to the State the Availability Service Level Credits described in the Service Availability Table below calculated as a percentage of the Fees payable for Hosted Services and Software provided during the applicable Service Period:

SERVICE AVAILABILITY TABLE

Availability	Availability Service Level Credits
≥99.98%	None
<99.98% but ≥99.0%	15%
<99.0% but ≥95.0%	30%
<95.0% but ≥90.0%	50%
<90.0%	100%

(b) Any Availability Service Level Credits due under this **Subsection** will be applied in accordance with payment terms of the Contract.

(c) If a Critical or High Service Availability Failure occurs in any 2 of 4 consecutive Service Periods, then, in addition to all other remedies available to the State, the State, in its sole discretion, consider it to be a material breach of the Contract.

3. Solution Support and Maintenance Services. Contractor will provide Solution maintenance and support services in accordance with the provisions of this **Section 3**. The Solution Support Services are included in the Services, and Contractor may not assess any additional fees, costs or charges, other than as stated in **Schedule B – Pricing Schedule**.

3.1 Support Service Responsibilities. Contractor will:

- (a) resolve all Service Errors in accordance with the **Solution Support Service Level Table**, including by providing defect repair, programming corrections and remedial programming;
- (b) provide unlimited telephone support, 6 am to 6 pm ET, Monday through Friday..
- (c) provide unlimited online support 24 hours a day, seven days a week;
- (d) provide online access to technical support bulletins and other user support information and forums, to the full extent Contractor makes such resources available to its other customers; and
- (e) respond to and Resolve Support Requests as specified in this **Section 3**.

3.2 Service Monitoring and Management. Contractor will continuously monitor and manage the Hosted Services and Software to optimize Availability that meets or exceeds the Availability Requirement. Such monitoring and management includes:

- (a) proactively monitoring on a 24 hour by 7 day basis all Hosted Service and Software functions, servers, firewall and other components of Hosted Service and Software security;
- (b) if such monitoring identifies, or Contractor otherwise becomes aware of, any circumstance that is reasonably likely to threaten the Availability of the Hosted Service and Software, taking all necessary and reasonable remedial measures to promptly eliminate such threat and ensure full Availability; and
- (c) if Contractor receives knowledge that the Hosted Service, Software or any of its function or component is not Available (including by written notice from the State pursuant to the procedures set forth herein):
 - (i) confirming (or disconfirming) the outage by a direct check of the associated facility or facilities;
 - (ii) If Contractor's facility check in accordance with clause (i) above confirms a Hosted Service or Software outage in whole or in part: (A) notifying the State in writing pursuant to the procedures set forth herein that an outage has occurred, providing such details as may be available, including a Contractor trouble ticket number, if appropriate, and time of outage; and (B) working all problems causing and caused by the outage until they are Resolved as Critical Service Errors in accordance with the Support Request Classification set forth in **Subsections 3.6**, or, if determined to be

an internet provider problem, open a trouble ticket with the internet provider; and

(iii) Notifying the State that Contractor has fully corrected the outage and any related problems, along with any pertinent findings or action taken to close the trouble ticket.

3.3 Service Maintenance. Contractor will continuously maintain the Hosted Services and Software to optimize Availability that meets or exceeds the Availability Requirement. Such maintenance services include providing to the State and its Authorized Users:

(a) all updates, bug fixes, enhancements, Maintenance Releases, New Versions and other improvements to the Hosted Services and Software, including the Software, that Contractor provides at no additional charge to its other similarly situated customers; provided that Contractor shall consult with the State and is required to receive State approval prior to modifying or upgrading Hosted Services and Software, including Maintenance Releases and New Versions of Software; and

(b) all such services and repairs as are required to maintain the Hosted Services and Software or are ancillary, necessary or otherwise related to the State's or its Authorized Users' access to or use of the Hosted Services and Software, so that the Hosted Services and Software operate properly in accordance with the Contract and this Schedule.

3.5 Support Requests. The State may submit a Support Request when the State experiences a Service Error. The State will include in its Support Request the applicable Support Request Classification and a description of the Service Error and the time the State first observed the Service Error. The State will submit each Support Request by e-mail or telephone.

3.6 Solution Support Service Level Table. As set out in the **Solution Support Service Level Table** below, applicable Service Level Metrics will be measured from the time Contractor receives a Support Request until the respective times Contractor has (a) responded to that Support Request, in the case of Support Request Response time and (b) Resolved that Support Request, in the case of Support Request Resolution time. Contractor shall respond to and Resolve all Support Requests within the following times based on the State's Support Request Classification, subject to the State's written agreement to revise such designation after Contractor's investigation of the reported Service Error:

RESPONSE AND RESOLUTION TIME SERVICE TABLE

Support Request Classification	Definition	Service Level Metric for Required Support Request Response Time	Service Level Metric for Required Support Request Resolution Time)
Critical Service Error (Priority 1)	<p>Any Service Error comprising or causing any of the following events or effects issue affecting the entire system or a single critical production function:</p> <ul style="list-style-type: none"> (a) Software down or operating in materially degraded state; (b) Data integrity at risk; (c) Material financial impact; (d) Widespread access interruptions: or (e) Classified by the state as a Critical Service Error 	<p>Contractor shall acknowledge receipt of a Support Request within 30 minutes.</p>	<p>For Software: Contractor shall Resolve the Support Request as soon as practicable and no later than 4 hours after Contractor's receipt of the Support Request.</p> <p>If the Contractor Resolves the Support Request by way of a work-around accepted in writing by the State, the support classification assessment will be reduced to a High Service Error.</p>
High Service Error (Priority 2)	<ul style="list-style-type: none"> (a) A Critical Service Error for which the State has received, within the Resolution time for Critical Service Errors, a work-around that the State has accepted in writing; or (b) Primary component failure that materially impairs Software's performance; (c) Data entry or access is materially impaired on a limited basis; or (d) performance issues of severe nature impacting critical processes 	<p>Contractor shall acknowledge receipt of a Support Request or, where applicable, the State's written acceptance of a Critical Service Error work-around, within 24 hours.</p>	<p>Contractor shall Resolve the Support Request as soon as practicable and no later than 2 Business Days after Contractor's receipt of the Support Request or, where applicable, the State's written acceptance of a Critical Service Error work-around.</p>

Support Request Classification	Definition	Service Level Metric for Required Support Request Response Time	Service Level Metric for Required Support Request Resolution Time)
Medium Service Error	An isolated or minor Error in the Software that meets any of the following requirements: (a) does not significantly affect Software functionality; (b) can or does impair or disable only certain non-essential Software functions; or (c) does not materially affect the State's use of the Software	Contractor shall acknowledge receipt of the Support Request within 2 Business Days.	Contractor shall Resolve the Support Request as soon as practicable and no later than 10 Business Days after Contractor's receipt of the Support Request. If Medium Service Error has not been resolved in 10 Business Days, the State may resubmit as a High Service Error.
Low Service Error	Request for assistance, information, or services that are routine in nature.	Contractor shall acknowledge receipt of the Support Request within 5 Business Days.	Contractor shall Resolve the Support Request as soon as practicable and no later than 60 Business Days after Contractor's receipt of the Support Request. If Low Service Error has not been resolved in 60 Business Days, the State may resubmit as a Medium Service Error.

3.7 Escalation. With respect to any Critical Service Error Support Request, until such Support Request is Resolved, Contractor will escalate that Support Request within 60 minutes of the receipt of such Support Request by the appropriate Contractor support personnel, including, as applicable, the Contractor Project Manager and Contractor's management or engineering personnel, as appropriate.

3.8 Support Service Level Credits. If the Contractor fails to meet a Service Level Metric for Support Request Response and/or Resolution Time, the State will be entitled to the corresponding Support Service Level Credits specified in the table below.

Solution Support Service Level Credit Table:

Support Request Classification	Solution Support Service Level Credits (For Support Service Level Failure regarding Support Request Response Time)	Solution Support Service Level Credits (For Support Service Level Failure regarding Support Request Resolution Time)
Critical Service Error (Priority 1)	5% of the Fees for the month in which the initial Service Level Failure begins and 5% of such monthly Fees for each additional hour or portion thereof that the corresponding Service Error is not responded to within the required response time.	5% of the Fees for the month in which the initial Service Level Failure begins and 5% of such monthly Fees for the first additional hour or portion thereof that the corresponding Service Error remains un-Resolved, which amount will thereafter double for each additional one-hour increment.
High Service Error (Priority 2)	3% of the Fees for the month in which the initial Service Level Failure begins and 3% of such monthly Fees for each additional hour or portion thereof that the corresponding Service Error is not responded to within the required response time.	3% of the Fees for the month in which the initial Service Level Failure begins and 3% of such monthly Fees for the first additional hour or portion thereof that the corresponding Service Error remains un-Resolved, which amount will thereafter double for each additional one-hour increment.

3.9 Corrective Action Plan. If two or more Critical Service Errors occur in any 60 day period during (a) the Term or (b) any additional periods during which Contractor does or is required to perform any Hosted Services, Contractor will promptly investigate the root causes of these Service Errors and provide to the State within 5 Business Days of its receipt of notice of the second such Support Request an analysis of such root causes and a proposed written corrective action plan for the State’s review, comment and approval, which, subject to and upon the State’s written approval, shall be a part of, and by this reference is incorporated in, the Contract as the parties’ corrective action plan (the “**Corrective Action Plan**”). The Corrective Action Plan must include, at a minimum: (a) Contractor’s commitment to the State to devote the appropriate time, skilled personnel, systems support and equipment and other resources necessary to Resolve and prevent any further occurrences of the Service Errors giving rise to such Support Requests; (b) a strategy for developing any programming, software updates, fixes, patches, etc. necessary to remedy, and prevent any further occurrences of, such Service Errors; and (c) time frames for implementing the Corrective Action Plan. There will be no additional charge for Contractor’s preparation or implementation of the Corrective Action Plan in the time frames and manner set forth therein.

4. Issuance of Applicable Credits. Contractor will, for each invoice period, issue to the State, together with Contractor’s invoice for such period, a written acknowledgement setting forth all Availability Service Credits and Support Level Credits to which the State has become entitled during that invoice period. Contractor shall pay the amount of applicable credit(s) as a debt to the State within 15 Business Days of issue of the applicable credit from the amount payable by the

State to Contractor pursuant to such invoice. If the Fees for Hosted Services and/or the Support Fee is paid other than monthly, the applicable fee will be converted to its monthly equivalent for purposes of determining the Availability Service Credit and/or Support Service Level Credit based on the percentages in the applicable tables in this Schedule.

5. Additional Remedies for Service Level Failures. Contractor's repeated failure to meet the Service Level Metric(s) for Resolution of any Critical Service Errors or High Service Errors, or any combination of such Errors, within the applicable Resolution time set out in the Solution Support Service Level Table will constitute a material breach of the Contract.

6. Data Storage, Backup, Restoration and Disaster Recovery. Contractor must maintain or cause to be maintained backup redundancy and disaster avoidance and recovery procedures designed to safeguard State Data and the State's other Confidential Information, Contractor's Processing capability and the availability of the Hosted Services and Software, in each case throughout the Term and at all times in connection with its actual or required performance of the Services hereunder. All backed up State Data shall be located in the United States. The force majeure provisions of this Contract do not limit Contractor's obligations under this section.

6.1 Data Storage. Contractor will provide sufficient storage capacity to meet the needs of the State at no additional cost.

6.2 Data Backup. Contractor will conduct, or cause to be conducted, daily back-ups of State Data and perform, or cause to be performed, other periodic offline back-ups of State Data on at least a weekly basis and store and retain such back-ups as specified in **Schedule A**. Contractor must, within 5 Business Days of the State's request, provide the State, without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees due to Contractor), an extract of State Data in the format specified by the State.

6.3 Data Restoration. If the data restoration is required due to the actions or inactions of the Contractor or its subcontractors, Contractor will promptly notify the State and complete actions required to restore service to normal production operation. If requested, Contractor will restore data from a backup upon written notice from the State. Contractor will restore the data within 1 Business Day of the State's request. Contractor will provide data restorations at its sole cost and expense.

6.4 Disaster Recovery. Throughout the Term and at all times in connection with its actual or required performance of the Services, Contractor will maintain and operate a backup and disaster recovery plan to achieve a Recovery Point Objective (RPO) of 1 minute, and a Recovery Time Objective (RTO) of 4 minutes (the "**DR Plan**"), and implement such DR Plan in the event of any unplanned interruption of the Hosted Services. Contractor's current DR Plan, revision history, and any reports or summaries relating to past testing of or pursuant to the DR Plan are attached as **Schedule F**. Contractor will actively test, review and update the DR Plan on at least an annual basis using industry best practices as guidance. Contractor will provide the State with copies of all such updates to the Plan within 15 days of its adoption by Contractor. All updates to the DR Plan are subject to the requirements of this **Section 4**; and provide the State with copies of all reports resulting from any testing of or pursuant to the DR Plan promptly after Contractor's receipt or preparation. If Contractor fails to reinstate all material Hosted Services and Software within the periods of time set

forth in the DR Plan, the State may, in addition to any other remedies available under this Contract, in its sole discretion, immediately terminate this Contract as a non-curable default.

SCHEDULE D – ATTACHMENT 1 – CONTACT LIST

Contractor must provide a current list of Contractor contacts and telephone numbers to enable the State to escalate its Support Requests, including: (a) the first person to contact; and (b) the persons in successively more qualified or experienced positions to provide the support sought.

Support requests can be entered, tracked, and escalated using the Contractor’s Support Ticketing System. This system can be accessed using the following methods:

Online: PyramidSolutions.Freshdesk.com

Phone: 1.888.549.1201

Email: Support@PyramidSolutions.com

Pyramid Project Manager: Leah Hening

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SCHEDULE E – DATA SECURITY REQUIREMENTS

1. Definitions. For purposes of this Schedule, the following terms have the meanings set forth below. All initial capitalized terms in this Schedule that are not defined in this **Schedule** shall have the respective meanings given to them in the Contract.

“**Contractor Security Officer**” has the meaning set forth in **Section 2** of this Schedule.

“**FedRAMP**” means the Federal Risk and Authorization Management Program, which is a federally approved risk management program that provides a standardized approach for assessing and monitoring the security of cloud products and services.

“**FISMA**” means The Federal Information Security Modernization Act of 2014 (Pub.L. No. 113-283 (Dec. 18, 2014.)).

“**Hosting Provider**” means any Permitted Subcontractor that is providing any or all of the Hosted Services and/or Operating Environment under this Contract.

“**NIST**” means the National Institute of Standards and Technology.

“**PCI**” means the Payment Card Industry.

“**PSP**” or “**PSPs**” means the State’s IT Policies, Standards and Procedures.

“**SSAE**” means Statement on Standards for Attestation Engagements.

“**Security Accreditation Process**” has the meaning set forth in **Section 6** of this Schedule

2. Security Officer. Contractor will appoint a Contractor employee to respond to the State’s inquiries regarding the security of the Solution who has sufficient knowledge of the security of the Solution and the authority to act on behalf of Contractor in matters pertaining thereto (“**Contractor Security Officer**”).

3. Contractor Responsibilities. Contractor is responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to:

- (a) ensure the security and confidentiality of the State Data;
- (b) protect against any anticipated threats or hazards to the security or integrity of the State Data;
- (c) protect against unauthorized disclosure, access to, or use of the State Data;
- (d) ensure the proper disposal of any State Data in Contractor’s or its subcontractor’s possession; and
- (e) ensure that all Contractor Personnel comply with the foregoing.

The State has established Information Technology (IT) PSPs to protect IT resources under the authority outlined in the overarching State 1305.00 Enterprise IT Policy. In no case will the safeguards of Contractor’s data privacy and information security program be less stringent than the safeguards used by the State, and Contractor must at all times comply with all applicable

public and non-public State IT policies and standards, of which the publicly available ones are at <https://www.michigan.gov/dtmb/policies/it-policies>.

This responsibility also extends to all service providers and subcontractors with access to State Data or an ability to impact the Solution. Contractor responsibilities are determined from the PSPs based on the services being provided to the State, the type of IT solution, and the applicable laws and regulations.

4. Acceptable Use Standard. To the extent that Contractor has access to the State's IT environment, Contractor must comply with the State's Acceptable Use Standard, see <https://www.michigan.gov/dtmb/-/media/Project/Websites/dtmb/Law-and-Policies/IT-Policy/13400013002-Acceptable-Use-of-Information-Technology-Standard.pdf>. All Contractor Personnel will be required, in writing, to agree to the State's Acceptable Use Standard before accessing State systems or Data. The State reserves the right to terminate Contractor's and/or subcontractor(s) or any Contractor Personnel's access to State Systems if the State determines a violation has occurred.

5. Protection of State's Information. Throughout the Term and at all times in connection with its actual or required performance of the Services, Contractor will:

5.1 If Hosted Services are provided by a Hosting Provider, ensure each Hosting Provider maintains FedRAMP authorization for all Hosted Services environments throughout the Term, and in the event a Hosting Provider is unable to maintain FedRAMP authorization, the State, at its sole discretion, may either a) require the Contractor to move the Software and State Data to an alternative Hosting Provider selected and approved by the State at Contractor's sole cost and expense without any increase in Fees, or b) immediately terminate this Contract for cause;

5.2 for Hosted Services provided by the Contractor, maintain either a FedRAMP authorization or an annual SSAE 18 SOC 2 Type II audit based on State required NIST Special Publication 800-53 MOD Controls using identified controls and minimum values as established in applicable State PSPs;

5.3 ensure that the Software and State Data is securely stored, hosted, supported, administered, Accessed, and backed up in the United States or its territories. The use of Offshore Resources is not permitted;

5.4 ensure that any Customization development work is performed in the United States;

5.5 ensure the data center(s) in which Software and State Data resides minimally meets Uptime Institute Tier 3 standards (<https://www.uptimeinstitute.com/>), or its equivalent;

5.6 maintain and enforce an information security program including safety and physical and technical security policies and procedures with respect to its Processing of the State Data that complies with the requirements of the State's data security policies as set forth in this Contract, and must, at a minimum, remain compliant with FISMA and NIST Special Publication 800-53 MOD Controls using identified controls and minimum values as established in applicable State PSPs;

5.7 Throughout the Term, Contractor must not provide any part of the Solution from the list of excluded parties in the System for Award Management (SAM) for entities excluded from

receiving federal government awards for "covered telecommunications equipment or services.

5.8 provide technical and organizational safeguards against accidental, unlawful or unauthorized access to or use, destruction, loss, alteration, disclosure, encryption, transfer, commingling or processing of such information that ensure a level of security appropriate to the risks presented by the Processing of State Data and the nature of such State Data, consistent with best industry practice and applicable standards (including, but not limited to, compliance with FISMA, NIST, CMS, IRS, FBI, SSA, HIPAA, FERPA and PCI requirements as applicable);

5.9 take all reasonable measures to:

(a) secure and defend all locations, equipment, systems and other materials and facilities employed in connection with the Solution against "malicious actors" and others who may seek, without authorization, to destroy, disrupt, damage, encrypt, modify, copy, access or otherwise use Hosted Services or the information found therein; and

(b) prevent (i) the State and its Authorized Users from having access to the data of other customers or such other customer's users of the Solution; (ii) State Data from being commingled with or contaminated by the data of other customers or their users of the Solution; and (iii) unauthorized access to any of the State Data;

5.10 ensure that State Data is encrypted in transit and at rest using FIPS validated AES encryption modules and a key size of 128 bits or higher;

5.11 ensure the Hosted Services support Identity Federation/Single Sign-on (SSO) capabilities using Security Assertion Markup Language (SAML), Open Authentication (OAuth) or comparable State approved mechanisms;

5.12 ensure the Hosted Services implements NIST compliant multi-factor authentication for privileged/administrative and other identified access.

5.13 Contractor must permanently sanitize or destroy the State's information, including State Data, from all media both digital and nondigital including backups using National Security Agency ("NSA") and/or National Institute of Standards and Technology ("NIST") (NIST Guide for Media Sanitization 800-88) data sanitization methods or as otherwise instructed by the State. Contractor must sanitize information system media, both digital and non-digital, prior to disposal, release out of its control, or release for reuse as specified above.

6. Security Accreditation Process. Throughout the Term, Contractor will assist the State, at no additional cost, with its **Security Accreditation Process**, which includes the development, completion and on-going maintenance of a system security plan (SSP) using the State's automated governance, risk and compliance (GRC) platform, which requires Contractor to submit evidence, upon request from the State, in order to validate Contractor's security controls within two weeks of the State's request. On an annual basis, or as otherwise required by the State such as for significant changes, re-assessment of the system's controls will be required to receive and maintain authority to operate (ATO). All identified risks from the SSP will be remediated through a Plan of Action and Milestones (POAM) process with remediation time frames and required

evidence based on the risk level of the identified risk. For all findings associated with the Contractor's solution, at no additional cost, Contractor will be required to create or assist with the creation of State approved POAMs, perform related remediation activities, and provide evidence of compliance. The State will make any decisions on acceptable risk, Contractor may request risk acceptance, supported by compensating controls, however only the State may formally accept risk. Failure to comply with this section will be deemed a material breach of the Contract.

7. Unauthorized Access. Contractor may not access, and must not permit any access to, State Systems, in whole or in part, whether through the Hosted Services or otherwise, without the State's express prior written authorization. Such authorization may be revoked by the State in writing at any time in its sole discretion. Any access to State Systems must be solely in accordance with the Contract and this Schedule, and in no case exceed the scope of the State's authorization pursuant to this Section. All State-authorized connectivity or attempted connectivity to State Systems shall be only through the State's security gateways and firewalls and in compliance with the State's security policies set forth in the Contract as the same may be supplemented or amended by the State and provided to Contractor from time to time.

8. Security Audits.

8.1 During the Term, Contractor will maintain complete and accurate records of its data protection practices, IT security controls, and the security logs relating to State Data, including but not limited to any backup, disaster recovery or other policies, practices or procedures relating to the State Data and any other information relevant to its compliance with this Contract.

8.2 Without limiting any other audit rights of the State, the State has the right to review Contractor's data privacy and information security program prior to the commencement of Services and from time to time during the term of this Contract. The State, at its own expense, is entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and information security program. If the State chooses to perform an on-site audit, Contractor will, make all such records, appropriate personnel and relevant materials available during normal business hours for inspection and audit by the State or an independent data security expert that is reasonably acceptable to Contractor, provided that the State: (i) gives Contractor at least 5 Business Days prior notice of any such audit; (ii) undertakes such audit no more than once per calendar year, except for good cause shown; and (iii) conducts or causes to be conducted such audit in a manner designed to minimize disruption of Contractor's normal business operations and that complies with the terms and conditions of all data confidentiality, ownership, privacy, security and restricted use provisions of the Contract. The State may, but is not obligated to, perform such security audits, which shall, at the State's option and request, include penetration and security tests, of any and all Hosted Services and their housing facilities and operating environments.

8.3 During the Term, Contractor will, when requested by the State, provide a copy of Contractor's and Hosting Provider's (if applicable) FedRAMP System Security Plan(s) or SOC 2 Type 2 report(s) to the State within two weeks of the State's request. The System Security Plan and SSAE audit reports will be recognized as Contractor's Confidential Information.

8.4 With respect to State Data, Contractor must implement any required safeguards as identified by the State or by any audit of Contractor's data privacy and information security program.

8.5 The State reserves the right, at its sole election, to immediately terminate this Contract or a Statement of Work without limitation and without liability if the State determines that Contractor fails or has failed to meet its obligations under this **Section 8**.

9. Application Scanning. During the Term, Contractor must, at its sole cost and expense, scan all Contractor provided applications, and must analyze, remediate and validate all vulnerabilities identified by the scans as required by the State Web Application Security Standard and other applicable PSPs.

Contractor's application scanning and remediation must include each of the following types of scans and activities:

9.1 Dynamic Application Security Testing (DAST) – Authenticated interactive scanning of application for vulnerabilities, analysis, remediation, and validation (may include Interactive Application Security Testing (IAST)).

(a) Contractor must either a) grant the State the right to dynamically scan a deployed version of the Software; or

(b) in lieu of the State performing the scan, Contractor must dynamically scan a deployed version of the Software using a State approved application scanning tool, and provide the State with a vulnerabilities assessment after Contractor has completed such scan. These scans and assessments

(i) must be completed and provided to the State quarterly (dates to be provided by the State) and for each major release; and

(ii) scans must be completed in a non-production environment with verifiable matching source code and supporting infrastructure configurations or the actual production environment.

9.2 Static Application Security Testing (SAST) - Scanning source code for vulnerabilities, analysis, remediation, and validation.

(a) For Contractor provided applications, Contractor, at its sole expense, must provide resources to complete static application source code scanning, including the analysis, remediation and validation of vulnerabilities identified by application source code scans. These scans must be completed for all source code initially, for all updated source code, and for all source code for each major release and Contractor must provide the State with a vulnerability assessment after Contractor has completed the required scans.

9.3 Software Composition Analysis (SCA) – Third-Party and/or Open Source Scanning for vulnerabilities, analysis, remediation, and validation.

(a) For Software that includes third-party and open source software, all included third-party and open source software must be documented and the source supplier must be monitored by the Contractor for notification of identified vulnerabilities and remediation. SCA scans may be included as part of SAST and DAST scanning or

employ the use of an SCA tool to meet the scanning requirements. These scans must be completed for all third-party and open source software initially, for all updated third-party and open source software, and for all third party and open source software in each major release and Contractor must provide the State with a vulnerability assessment after Contractor has completed the required scans if not provided as part of SAST and/or DAST reporting.

9.4 In addition, application scanning and remediation may include the following types of scans and activities if required by regulatory or industry requirements, data classification or otherwise identified by the State.

(a) If provided as part of the solution, all native mobile application software must meet these scanning requirements including any interaction with an application programming interface (API).

(b) Penetration Testing – Simulated attack on the application and infrastructure to identify security weaknesses.

10. Infrastructure Scanning.

10.1 Contractor must ensure their infrastructure and applications are scanned using an approved scanning tool (Qualys, Tenable, or other PCI Approved Vulnerability Scanning Tool) at least monthly and provide the scan's assessments to the State in a format that is specified by the State and used to track the remediation. Contractor will ensure the remediation of issues identified in the scan according to the remediation time requirements documented in the State's PSPs.

11. Nonexclusive Remedy for Security Breach.

11.1 Any failure of the Solution to meet the applicable requirements of this Schedule with respect to the security of any State Data or other Confidential Information of the State, including any related backup, disaster recovery or other policies, practices or procedures, is a material breach of the Contract for which the State, at its option, may terminate the Contract immediately upon written notice to Contractor without any notice or cure period, and Contractor must promptly reimburse to the State any Fees prepaid by the State prorated to the date of such termination.

Schedule F – Disaster Recovery Plan redacted for public post.

SCHEDULE G – TRANSITION IN AND OUT

Pyramid Solutions has completed multiple software / solution implementation projects at the State of Michigan, many of which have utilized the SUITE project management methodology throughout the project lifecycle. As such, Pyramid is familiar with the SUITE documentation, specifically the SEM-0701 Transition Plan. When the time comes to transition the solution over to the State, Pyramid will utilize this template to convey key important details to ensure a smooth and successful transition.

Following is a summary of Pyramid’s usage of the Transition Plan document.

Overview

Project Objectives – Pyramid will use this section to describe and convey the overall purpose and object of the project and the solution that was built. This section will provide an overview of the key project business requirements being addressed by the Vendor, RFP, and Agreements Management (VRAM) solution.

System Description – This section will be used to describe an overview of the usage of the VRAM solution. It will describe how the system is used by Vendors and by MDOT staff. Included here will be a description of how the technology manages the data and processes associated with the management of beneficiaries, test results and disbursements.

Plan Objectives – This section reiterates the importance of this transition document and process. It will describe that this document is to be used to share any necessary information between Pyramid and the State, to ensure a smooth and successful handoff.

References – Pyramid will include references to any documentation or links that have been created during the development and testing cycle of this project. These references might include previous SUITE documents, design documents, training material, online product documentation or support process documentation.

Outstanding Issues – At the time of transition, Pyramid will document any outstanding issues that have yet to be resolved. If these issues have been assigned, the key contacts will be included, as well as any agreed upon next steps.

Infrastructure Services

As part of the project transition, Pyramid will deliver and describe the infrastructure supporting the Incentive Management solution. This will include an overview of the Appian Cloud hosted platform and its primary components. Information on the MiLogin integration will be described. Any architectural diagrams that have been created during the implementation will be included.

Operational Scenarios

Pyramid will share any required monitoring or maintenance that would be required for MDOT to support the system. Because this is a fully managed solution, this section will be minimal.

Transition Planning

As part of the transition planning process, discussions around Go-Live cutover from Test to Production could be covered as part of this transition document. It is Pyramid's understanding that those details would be included in this section of the document.

Release Process – Pyramid will work with MDOT to agree and document a production cutover process. This process will include all the steps necessary to transition the solution to production. Included will be a clear delineation of responsibilities for each activity. This process will be reviewed by all involved parties.

Data Migration – This section will include details of how data is migrated from the existing CMTRAK and AMS system. Included will be details on data export, data manipulation and data import into the new VRAM system.

Problem Resolution – Pyramid will be involved and available for troubleshooting throughout the duration of the transition to MDOT and cutover to production. As part of the solution handoff, Pyramid includes a 90-day warranty period after transition. During this period, Pyramid will support and perform bug fixing activities as necessary.

Transition Schedule – This section will include a very detailed and thorough schedule of transition activities. Pyramid will collaborate with MDOT to define, document, and reach mutual agreement on the schedule.