

REQUEST FOR PROPOSALS

RFP NUMBER: 0A1085
DATE ISSUED: July 6, 2012

The State of Ohio, through the Department of Administrative Services, Information Technology Procurement Services for the Office of Budget and Management, is requesting proposals for:

OBM - Planning and Budget Management System

INQUIRY PERIOD BEGINS: July 6, 2012
INQUIRY PERIOD ENDS: July 26, 2012
OPENING DATE: August 6, 2012
OPENING TIME: 1:00 P.M.
OPENING LOCATION: Department of Administrative Services
I.T. Procurement Services
Bid Room
4200 Surface Road
Columbus, Ohio 43228

This RFP consists of five parts and eleven attachments, totaling 115 consecutively numbered pages. Supplements also are attached to this RFP with a beginning header page and an ending trailer page. Please verify that you have a complete copy.

PART ONE: EXECUTIVE SUMMARY

Purpose. This is a Request for Competitive Sealed Proposals (“RFP”) under Sections 125.071 and 125.18 of the Ohio Revised Code (the “Revised Code”) and Section 123:5-1-8 of the Ohio Administrative Code (the “Administrative Code”). The Office of Budget and Management has asked the Department of Administrative Services to solicit competitive sealed proposals (“Proposals”) for a single contractor to provide a Commercially available Off-The-Shelf (COTS) software solution and implementation services to support the Planning and Budget Management initiative (the “Project”), and this RFP is the result of that request.

If a suitable offer is made in response to this RFP, the State of Ohio (the “State”), through the Department of Administrative Services, may enter into a contract (the “Contract”) to have the selected offeror (the “Contractor”) perform all or part of the Project. This RFP provides details on what is required to submit a Proposal for the Project, how the State will evaluate the Proposals, and what will be required of the Contractor in performing the work.

This RFP also gives the estimated dates for the various events in the submission process, selection process, and performance of the work. While these dates are subject to change, prospective offerors must be prepared to meet them as they currently stand.

Once awarded, the term of the Contract will be from the award date until the Project is completed to the satisfaction of the State and the Contractor is paid or June 30, 2013, whichever is sooner. The State may renew this Contract for up to 2 additional two-year term(s), subject to and contingent on the discretionary decision of the Ohio General Assembly to appropriate funds for this Contract in each new biennium. Any such renewal of all or part of the Contract also is subject to the satisfactory performance of the Contractor and the needs of the State.

The State may reject any Proposal if the offeror fails to meet a deadline in the submission or evaluation phases of the selection process or objects to the dates for performance of the Project or the terms and conditions in this RFP.

Background. The Office of Budget and Management (OBM) currently provides a set of software tools for state agencies to use in planning and executing their biennial budgets. Agencies submit their primary budget data (budget request amounts, revenue and transfer estimates, etc.) via a PeopleSoft-based Planning and Budget Module which is part of the Ohio Administrative Knowledge System (OAKS), and is also used by OBM to make final recommendations (See Supplement Three for more details). Agencies then use a web portal to submit language requests and narratives to OBM. Finally, OBM extracts data from these systems as well as a Cognos-based Business Intelligence platform to generate the overall budget package (known as a “Blue Book”) on behalf of the Governor (See Supplement Four for more details). This solution no longer meets the needs of state agencies or OBM, resulting in the use of external spreadsheets to complete budget preparation. In addition, the PeopleSoft-based Planning and Budget module is scheduled by the vendor to reach end-of-life status in the coming years.

This RFP describes requirements for a replacement solution to be implemented for the FY16-17 budget process.

Objectives. The State has the following objectives it wants this Project to fulfill, and it will be the Contractor’s obligation to ensure that the Project meets these objectives:

- Implementation of a solution capable of assisting state agency fiscal departments and OBM in the budget planning and development process, including
 - Budget Preparation
 - Publishing
 - Generation of data to be used in the “Blue Book” (budget summaries and the final publication to the Governor)
- The ability for agencies to submit current year estimates
- The ability for OBM and Agencies to utilize chartfield mapping

- Current investments in PeopleSoft and Cognos, as well as the utilities to move data between them, will need to be utilized as fully as possible

Overview of the Project's Scope of Work. The scope of work for the Project is provided in Attachment Two: Part One of this RFP. This section only gives a summary of that work. If there is any inconsistency between this summary and the attachment's description of the work, the attachment will govern.

The Contractor must provide a Commercially available Off-The-Shelf (COTS) software solution for a Planning and Budget Management solution. In addition, the State expects the Contractor to provide expertise and services related to planning and implementation of the Contractor's proposed COTS software solution. The Contractor must provide a Project Manager and staff to train and work with State staff to perform and assist with the following tasks:

Task 1 – Project Management;

Task 2 – Detailed Business and Technical Requirements Definition, Review and Validation;

Task 3 – Design;

Task 4 – Configuration and Implementation;

Task 5 – Testing/Quality Assurance;

Task 6 – Training; and

Task 7 – Deployment Readiness/Production Release and Post Implementation Support.

The scope of work will include tasks and deliverables the Contractor must complete in order to assist with implementation of the solution.

As part of the Project, the Contractor must license or arrange for the licensing of certain commercial software products ("Commercial Software") to the State. Commercial Software is software sold in the marketplace in substantial quantities in a substantially unaltered form from one transaction to another and that is maintained through a support program that includes regular updates and new releases. It may also include freeware, such as GNU software, if made generally available in the marketplace, even though such software does not precisely meet the above definition for Commercial Software. It does not include shells, subroutines, and similar stock bits of software that are not made generally available to the marketplace but that the offeror or others routinely incorporate into otherwise custom work. The Planning and Budget Management System is considered a key application ("Key Commercial Software"). It must meet the above definition for Commercial Software, and the offeror must offer to license it or arrange for the licensing of it to the State through a license agreement substantially in the form of Attachment Nine to this RFP. Other Commercial Software necessary for the offeror to complete the Project, if awarded the Contract, may be licensed to the State under the terms of Attachment Four or the applicable software marketer's standard commercial license, if the terms of that license are acceptable to the State, or if the State and the software marketer negotiate acceptable changes to the commercial license.

Calendar of Events. The schedule for the RFP process and Project is given below. The State may change this schedule at any time. If the State changes the schedule before the Proposal due date, it will do so through an announcement on the State Procurement Website's question and answer area for this RFP. The Website announcement will be followed by an amendment to this RFP, also available through the State Procurement Website. After the Proposal due date and before the award of the Contract, the State may make schedule changes through the RFP amendment process. It is each prospective offeror's responsibility to check the Website question and answer area for this RFP for current information regarding this RFP and its Calendar of Events through award of the Contract.

Dates:

Firm Dates

RFP Issued:	July 6, 2012
Inquiry Period Begins:	July 6, 2012
Inquiry Period Ends:	July 27, 2012 at 8:00 a.m.
Proposal Due Date:	August 6, 2012 at 1:00 p.m.

Estimated Dates

Award Date:	November 1, 2012
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Estimated Project Dates

Project Work Begins:	November 15, 2012
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There are references in this RFP to the Proposal due date. Unless it is clearly provided to the contrary in this RFP, any such reference means the date and time (Columbus, Ohio local time) that the Proposals are due and not just the date.

PART TWO: STRUCTURE OF THIS RFP

Organization. This RFP is organized into five parts and has 10 attachments. The parts and attachments are listed below. There also are nine supplements to this RFP listed below.

Parts:

- Part 1 Executive Summary
- Part 2 Structure of this RFP
- Part 3 General Instructions
- Part 4 Evaluation of Proposals
- Part 5 Award of the Contract

Attachments:

- Attachment One Evaluation Criteria
- Attachment Two Project Requirements and Special Provisions
- Attachment Three Requirements for Proposals
- Attachment Four General Terms and Conditions
- Attachment Five Sample Contract
- Attachment Six Sample Deliverable Submittal and Acceptance (Deliverable Sign-Off Form)
- Attachment Seven Offeror Certification Form
- Attachment Eight Offeror Profile Summary
- Attachment Nine Master Contract for Software Licensing
- Attachment Ten Standard Affirmation and Disclosure Form, including Executive Order 2011-12K
- Attachment Eleven Cost Summary

Supplements:

- Supplement One Glossary of Terms
- Supplement Two System Requirements Specifications
- Supplement Three Existing PeopleSoft Financial System
- Supplement Four Existing Cognos Business Intelligence System
- Supplement Five Sample Production Acceptance Criteria (PAC) Checklist
- Supplement Six OBM Training Academy Design Standards
- Supplement Seven Data Formatting
- Supplement Eight Existing OBM Budget Center Application
- Supplement Nine Report Samples and Data Requirements

PART THREE: GENERAL INSTRUCTIONS

The following sections provide details on how to get more information about how to respond to this RFP. All responses must be complete and in the prescribed format.

Contacts. The following person will represent the State during the RFP process:

Procurement Representative:

Roni Rowe
Acquisition Analyst
Department of Administrative Services
Office of Information Technology
30 E. Broad Street, 39th Floor
Columbus, Ohio 43215

During the performance of the Project, a State representative (the "State Project Manager") will represent the State and be the primary contact for the Project. The State will designate the State Project Manager in writing after the Contract award.

Inquiries. Offerors may make inquiries regarding this RFP anytime during the inquiry period listed in the Calendar of Events. To make an inquiry, offerors must use the following process:

- Access the State Procurement Website at <http://procure.ohio.gov/>;
- From the Navigation Bar on the left, select "Find It Fast";
- Select "Doc/Bid/Schedule #" as the Type;
- Enter the RFP number found on the first page of this RFP (the RFP number begins with zero followed by the letter "A");
- Click the "Find It Fast" button;
- On the document information page, click the "Submit Inquiry" button;
- On the document inquiry page, complete the required "Personal Information" section by providing:
 - First and last name of the prospective offeror's representative who is responsible for the inquiry,
 - Name of the prospective offeror,
 - Representative's business phone number, and
 - Representative's email address;
- Type the inquiry in the space provided including:
 - A reference to the relevant part of this RFP,
 - The heading for the provision under question, and
 - The page number of the RFP where the provision can be found; and
- Click the "Submit" button.

An offeror submitting an inquiry will receive an immediate acknowledgement that the State has received the inquiry as well as an email acknowledging receipt. The offeror will not receive a personalized response to the question nor notification when the State has answered the question.

Offerors may view inquiries and responses on the State's Procurement Website by using the "Find It Fast" feature described above and by clicking the "View Q & A" button on the document information page.

The State usually responds to all inquiries within three business days of receipt, excluding weekends and State holidays. However, the State will not respond to any inquiries received after 8:00 a.m. on the inquiry end date.

The State does not consider questions asked during the inquiry period through the inquiry process as exceptions to the terms and conditions of this RFP.

Amendments to the RFP. If the State revises this RFP before the Proposals are due, it will announce any amendments on the State Procurement Website.

Offerors may view amendments by using the "Find It Fast" function of the State's Procurement Webpage (described in the Inquiries Section above) and then clicking on the amendment number to display the amendment.

When an amendment to this RFP is necessary, the State may extend the Proposal due date through an announcement on the State Procurement Website. The State may issue amendment announcements any time before 5:00 p.m. on the day before Proposals are due, and it is each prospective offeror's responsibility to check for announcements and other current information regarding this RFP.

After the Proposal due date, the State will distribute amendments only to those offerors whose Proposals are under active consideration. When the State amends the RFP after the due date for Proposals, the State will permit offerors to withdraw their Proposals within five business days after the amendment is issued. This withdrawal option will allow any offeror to remove its Proposal from active consideration should the offeror feel that the amendment changes the nature of the transaction so much that the offeror's Proposal is no longer in its interest. Alternatively, the State may allow offerors that have Proposals under active consideration to modify their Proposals in response to the amendment.

If the State allows offerors to modify their Proposals in response to an amendment, the State may limit the nature and scope of the modifications. Unless otherwise provided in the State's notice, offerors must make any modifications or withdrawals in writing and submit them to the State within five business days after the amendment is issued at the address and in the same manner required for the submission of the original Proposals. If this RFP provides for a negotiation phase, this submission procedure will not apply to changes negotiated during that phase. The State may reject any modification that is broader in scope than the State has authorized in the announcement of the amendment and treat it as a withdrawal of the offeror's Proposal.

Proposal Submittal. Each offeror must submit a technical section and a cost section as part of its total Proposal before the opening time on the Proposal due date. The offeror must submit the technical section as a separate package from the cost section of its Proposal, and each section must be submitted in its own separate, opaque package. The package with the technical section of the Proposal must be sealed and contain one originally signed technical section and seven copies of the technical section, and the package with the cost section also must be sealed and contain three complete copies of the cost section of the Proposal. Further, the offeror must mark the outside of each package with either "Planning and Budget Management Solution RFP – Technical Proposal" or "Planning and Budget Management Solution RFP – Cost Summary," as appropriate.

Included in each sealed package, the offeror also must provide an electronic copy of everything contained within the package on CD-ROM in Microsoft Office, Microsoft Project, and Adobe Acrobat format, as appropriate. If there is a discrepancy between the hard copy and the electronic copy of the Proposal, the hard copy will control, and the State will base its evaluation of the offeror's Proposal on the hard copy.

Proposals are due no later than 1:00 p.m. on the Proposal due date. Proposals submitted by email, fax or other electronic means are not acceptable, and the State may reject them. Offerors must submit their Proposals to:

Department of Administrative Services
IT Procurement Services
Attn: Bid Room
4200 Surface Road
Columbus, Ohio 43228

The State may reject any Proposals or unsolicited modifications it receives after the deadline. An offeror that mails its Proposal must allow for adequate mailing time to ensure its timely receipt. Offerors also must allow for potential delays due to increased security. The Bid Room accepts packages between the hours of 7:30 A.M. to 5:00 P.M. Monday through Friday, excluding State Holidays. No deliveries will be accepted before or after

these hours without prior arrangements. Offerors must allow sufficient time since the State may reject late Proposals regardless of the cause for the delay.

Each offeror must carefully review the requirements of this RFP and the contents of its Proposal. Once opened, Proposals cannot be altered or withdrawn, except as allowed by this RFP.

By submitting a Proposal, the offeror acknowledges it has read this RFP, understands it, and agrees to be bound by its requirements. The State is not responsible for the accuracy of any information regarding this RFP gathered through a source other than the inquiry process described in the RFP.

Revised Code Section 9.24 prohibits the State from awarding a contract to any entity against whom the Auditor of State has issued a finding for recovery (a "Finding"), if the Finding is unresolved at the time of the award. This also applies to renewals of contracts. By submitting a Proposal, the offeror warrants it is not subject to an unresolved Finding under Section 9.24 at the time of its submission. The offeror also warrants it will notify the Department of Administrative Services in writing immediately upon becoming subject to such an unresolved Finding after submitting its Proposal and before the award of a Contract under this RFP. Should the State select the offeror's Proposal for award of a Contract, this warranty of immediate written notice will apply during the term of the Contract, including any renewals or extensions. Further, the State may treat any unresolved Finding against the Contractor that prevents a renewal of the Contract as a breach, in accordance with the provisions of Attachment Four, General Terms and Conditions.

The State may reject any Proposal if the offeror takes exception to the terms and conditions of this RFP, includes unacceptable assumptions or conditions in its Proposal, fails to comply with the procedure for participating in the RFP process, or fails to meet any requirement of this RFP. The State also may reject any Proposal it believes is not in its interest to accept and may decide not to award a contract to any or all of the offerors responding to this RFP.

Offerors may not prepare or modify their Proposals on State premises.

All Proposals and other material offerors submit will become the property of the State and may be returned only at the State's option. Offerors should not include any confidential information in a Proposal or other material submitted as part of the evaluation process. All Proposals will be open to the public after the State has awarded the Contract.

The State will retain all Proposals, or a copy of them, as part of the Contract file for at least three years. After the three-year retention period, the State may return, destroy, or otherwise dispose of the Proposals and any copies of them.

Waiver of Defects. The State may waive any defects in any Proposal or in the submission process followed by an offeror, but the State will only do so if it believes it is in the State's interest and will not cause any material unfairness to other offerors.

Multiple or Alternate Proposals. The State will not accept multiple or alternate Proposals from a single offeror. Additionally, any offeror that disregards a requirement in this RFP simply by proposing an alternative to it will have submitted a defective Proposal the State may reject. Further, any offeror that submits multiple or alternate Proposals may have all its Proposals rejected.

Changes to Proposals. The State will allow modifications or withdrawals of Proposals only if the State receives them before the Proposal due date. No modifications or withdrawals will be permitted after the due date, except as authorized by this RFP.

Proposal Instructions. Each Proposal must be organized in an indexed binder ordered in the same manner as the response items are ordered in the applicable attachments to this RFP. The requirements for a Proposal's contents and formatting are contained in the attachments to this RFP. The State wants clear and concise Proposals, but offerors must answer questions completely and meet all the RFP's requirements.

The State is not liable for any costs an offeror incurs in responding to this RFP or from participating in the evaluation process, including any demonstrations, regardless of whether the State awards the Contract through this process, decides not to go forward with the Project, cancels this RFP for any reason, or contracts for the Project through some other process or through another RFP.

PART FOUR: EVALUATION OF PROPOSALS

Disclosure of Proposal Contents. The State will seek to open the Proposals in a manner that avoids disclosing their contents. The State also will seek to keep the contents of all Proposals confidential until the Contract is awarded, but the State will prepare a registry of Proposals that contains the name of each offeror. The public may inspect that registry after the State opens the Proposals.

Rejection of Proposals. The State may reject any Proposal that is not in the required format, does not address all the requirements of this RFP, objects to the terms or conditions of this RFP, or that the State determines is excessive in price or otherwise not in the State's interest to accept. In addition, the State may cancel this RFP, reject all the Proposals, and seek to do the Project through a new RFP or other means.

Evaluation of Proposals Generally. The evaluation process may consist of up to six distinct phases:

1. Initial review;
2. Technical evaluation;
3. Evaluation of costs;
4. Requests for more information;
5. Determination of responsibility; and
6. Contract Negotiations.

The State may decide whether phases four and six are necessary, and the State may rearrange the order in which it proceeds with the phases. The State also may add or remove sub-phases to any phase at any time, if the State believes doing so will improve the evaluation process.

Clarifications and Corrections. During the evaluation process, in the State's sole discretion, it may request clarifications from any offeror under active consideration and may give any offeror the opportunity to correct defects in its Proposal, if the State believes doing so would not result in an unfair advantage for the offeror, and it is in the State's interest. The State may reject any clarification that is non-responsive or broader in scope than what the State requested. If the State does so, or if the offeror fails to respond to the request for clarification, the State then may request a corrected clarification, consider the offeror's Proposal without the clarification, or disqualify the offeror's Proposal.

Corrections and clarifications must be completed off State premises.

Initial Review. The Procurement Representative will review all Proposals for their format and completeness. The State normally rejects incomplete or incorrectly formatted Proposals, though the State may waive any defects or allow an offeror to submit a correction, if the State believes doing so would not result in an unfair advantage for the offeror and it is in the State's interest. Further, if the Auditor of State does not certify a Proposal due to lateness, the State will not open it. After the initial review, the State will forward all timely, complete, and properly formatted Proposals to an evaluation team, which the Procurement Representative will lead.

Technical Evaluation. The State will evaluate each Proposal that it has determined is timely, complete, and properly formatted. The evaluation will be scored according to the requirements identified in this RFP, including the requirements in Attachment One. Other attachments to this RFP may further refine these requirements, and the State has a right to break these requirements into components and weigh any components of a requirement according to their perceived importance.

The State also may have the Proposals or portions of them reviewed and evaluated by independent third parties or various State personnel with experience that relates to the work or to a criterion in the evaluation process. Additionally, the State may seek reviews from end users of the Project or the advice or evaluations of various State personnel that have subject matter expertise or an interest in the Project. The State may adopt or reject any recommendations it receives from such reviews and evaluations or give them such weight as the State believes is appropriate.

During the technical evaluation, the State will calculate a point total for each Proposal it evaluates. At the sole discretion of the State, it may reject any Proposal receiving a significant number of zeros for sections in the technical portions of the evaluation. The State may select those offerors submitting the highest rated Proposals for the next phase. The number of Proposals that advance to the next phase will be within the State's discretion, but regardless of the number of Proposals selected, they always will be the highest rated Proposals from this phase.

At any time during this phase, in the State's sole discretion, it may ask an offeror to correct, revise, or clarify any portions of its Proposal.

The State will document all major decisions and make these a part of the Contract file, along with the evaluation results for each Proposal considered.

Requirements. Attachment One provides requirements the State will use to evaluate the Proposals, including any mandatory requirements. If the offeror's Proposal meets all the mandatory requirements, the offeror's Proposal may be included in the next phase of the evaluation, which will consider other requirements described in a table in Attachment One.

This RFP asks for responses and submissions from offerors, most of which represent components of the requirements in Attachment One. While each requirement represents only a part of the total basis for a decision to award the Contract to an offeror, a failure by an offeror to make a required submission or meet a mandatory requirement normally will result in a rejection of that offeror's Proposal. The value assigned above to each requirement is only a value used to determine which Proposal is the most advantageous to the State in relation to the other Proposals the State received. It is not a basis for determining the importance of meeting that requirement.

If the State does not receive any Proposal that meets all the mandatory requirements, the State may cancel this RFP. Alternatively, if the State believes it is in its interest, the State may continue to consider the highest-ranking Proposals despite their failure to meet all the mandatory requirements. In doing this, the State may consider one or more of the highest-ranking Proposals. The State may not consider any lower-ranking Proposals unless all Proposals ranked above it are also considered, except as provided below.

In any case where no Proposal meets all the mandatory requirements, it may be that an upper ranking Proposal contains a failure to meet a mandatory requirement that the State believes is critical to the success of the RFP's objectives. When this is so, the State may reject that Proposal and consider lower ranking Proposals. Before doing so, the State may notify the offeror of the situation and allow the offeror an opportunity to cure its failure to meet that mandatory requirement.

If the offeror cures its failure to meet a mandatory requirement the State has deemed critical to the success of the RFP's objectives, the State may continue to consider the offeror's Proposal. However, if the offeror is unwilling or unable to cure the failure, its Proposal may be rejected. The State then may continue to consider the other remaining Proposals, including, if the State so chooses, Proposals ranked lower than the rejected Proposal.

Cost Evaluation. Once the technical merits of the Proposals are considered, the State may consider the costs of one or more of the highest-ranking Proposals. But it is within the State's discretion to wait until after any interviews, presentations, and demonstrations to evaluate costs. Also, before evaluating the technical merits of the Proposals, the State may do an initial review of costs to determine if any Proposals should be rejected because of excessive cost. Further, the State may reconsider the excessiveness of any Proposal's cost at any time in the evaluation process.

The State may select one or more of the Proposals for further consideration in the next phase of the evaluation process based on the price performance formula contained in Attachment One. The Proposal(s) selected for consideration in the next phase always will be the highest-ranking Proposal(s) based on this analysis. That is, the State may not move a lower-ranking Proposal to the next phase unless all Proposals that rank above it also

are moved to the next phase, excluding any Proposals the State disqualifies because of excessive cost or other irregularities.

If the State finds it should give one or more of the highest-ranking Proposals further consideration, the State may move the selected Proposals to the next phase. The State alternatively may choose to bypass any or all subsequent phases and make an award based solely on its scoring of the preceding phases, subject only to its review of the highest-ranking offeror's responsibility, as described below.

Requests for More Information. The State may require some offerors to interview, make a presentation about their Proposals, demonstrate their products or services and provide a product trial period. If the presentations, demonstrations, or interviews are held as part of the technical evaluation phase, all offerors that have Proposals under evaluation may participate. Alternatively, if the presentations, demonstrations, or interviews are held after the technical evaluation, the State normally will limit them to one or more of the highest ranking offerors. The State normally will limit such presentations, demonstrations, and interviews to areas in which it seeks further information from the highest ranking offeror or offerors. Typically, these discussions provide an offeror with an opportunity to do one or more of the following:

- Clarify its Proposal and ensure a mutual understanding of the Proposal's content;
- Show the features and functions of its proposed hardware, software, or solution; and
- Demonstrate the professionalism, qualifications, skills, and work knowledge of its proposed candidates.

A product trial period may be held after the technical evaluation phase. The State will limit this to one or more of the highest ranking offerors. Selected offerors must provide a remotely accessible trial environment to the State for a period of up to 30 calendar days. The State will provide additional details, such as the number of users needing access, access timeframe, etc., before the product trial period begins.

The State will schedule the presentations, demonstrations, and interviews at its convenience and discretion. The State will determine the scope and format of any such presentations, demonstrations, and interviews and may record them. If the State moves more than one offeror to this phase, the scope and format of these presentations, demonstrations, and interviews may vary from one offeror to the next, depending on the particular issues or concerns the State may have with each offeror's Proposal.

The State normally will not rank interviews, demonstrations, presentations, or product trials. Rather, if the State conducts the interviews, demonstrations, presentations, or product trials as part of the technical evaluation, the State may use the information it gathers during this process in evaluating the technical merits of the Proposals. If the State holds the demonstrations, presentations, interviews, or product trials only for one or more of the top-ranking offerors after the evaluation phase, the State may decide to revise its existing Proposal evaluations based on the results of this process.

Demonstrations. The highest ranking offeror(s) may be invited to demonstrate their proposed solution. The selected offeror(s) must demonstrate their solution capabilities at a State specified location in Columbus, Ohio. The State will formally notify the highest ranked offeror(s) at least seven calendar days before the demonstration. The objective of the demonstration(s) is to provide a more in depth understanding of the proposed solution's ability to address the RFP business and technical requirements. Specific instructions including an agenda will be provided by the State should the State elect to schedule demonstrations. At a minimum, the demonstration must include the following:

- Executive Summary
 - Introduction of demonstration participants
 - Overview of the offeror's organization, the proposed solution's use in the marketplace and current planning and budget management customers
 - Executive level overview of system functions, the recommended implementation approach and the technical architecture
- Functionality
 - Demonstrate State selected aspects of the offeror's solution to address the RFP requirements

- Demonstrate interaction between system functions
- Demonstrate approach to configure business rules, policies, and procedures
- Demonstrate reporting and analytics capabilities including out of the box features and customizing reports
- Demonstrate how the tool will be used by different types of users (OBM, agencies, solution administrators)
- Approach
 - Overview of the recommended implementation approach to the offeror's solution
 - Indicate if the solution must be implemented as a total solution using a "big bang approach" or if the individual core system functions may be implemented separately
- Case Presentation
 - The State will provide a common scenario that offeror's will be expected to demonstrate live
- Technology
 - High-level technical architecture overview
 - Overview of the integration of the offeror's core system functions as well as approach to integration with the existing financial solution.
 - Overview of the data model and flexibility to configure

Determination of Responsibility. The State may review the background of one or more of the highest-ranking offerors and its or their key team members and subcontractors to ensure their responsibility. For purposes of this RFP, a key team member is a person an offeror identifies by name in its Proposal as a member of its proposed team. The State will not award the Contract to an offeror it determines is not responsible or that has proposed candidates or subcontractors to work on the Project that are not responsible. The State's determination of an offeror's responsibility may include the following factors: experience of the offeror and its key team members and subcontractors, its and their past conduct on previous contracts, past performance on previous contracts, ability to execute this Contract properly, and management skill. The State may make this determination of responsibility based on the offeror's Proposal, reference evaluations, a review of the offeror's financial ability, and any other information the State requests or determines is relevant.

Some of the factors used in determining an offeror's responsibility, such as reference checks, may also be used in the technical evaluation of Proposals in phase two of the evaluation process. In evaluating those factors in phase two, the weight the State assigns to them, if any, for purposes of the technical evaluation will not preclude the State from rejecting a Proposal based on a determination an offeror is not responsible. For example, if the offeror's financial ability is adequate, the value, if any, assigned to the offeror's relative financial ability in relation to other offerors in the technical evaluation phase may or may not be significant, depending on the nature of the Project. If the State believes the offeror's financial ability is inadequate, the State may reject the offeror's Proposal despite its other merits.

The State may make a responsibility determination at any time during the evaluation process, but it typically will do so only once it has evaluated the technical merits and costs of the Proposals. The State always will review the responsibility of an offeror selected for an award before making the award, if it has not already done so earlier in the evaluation process. If the State determines the offeror selected for award is not responsible, the State then may go down the line of remaining offerors, according to rank, and determine responsibility with the next highest-ranking offeror.

Reference Checks. As part of the State's determination of an offeror's responsibility, the State may conduct reference checks to verify and validate the offeror's and its proposed candidates' and subcontractors' past performance. Reference checks that indicate poor or failed performance by the offeror or a proposed candidate or subcontractor may be cause for rejection of the offeror's Proposal. Additionally, the State may reject an offeror's Proposal as non-responsive if the offeror fails to provide requested reference contact information.

The State may consider the quality of an offeror's and its candidates' and subcontractors' references as part of the technical evaluation phase, as well as in the State's determination of the offeror's responsibility. The State

also may consider the information it receives from the references in weighing any requirement contained in the technical evaluation phase, if that information is relevant to the requirement. In checking an offeror's or any of its proposed candidates' or subcontractors' references, the State will seek information that relates to the offeror's previous contract performance. This may include performance with other governmental entities, as well as any other information the State deems important for the successful operation and management of the Project and a positive working relationship between the State and the offeror. In doing this, the State may check references other than those provided in the offeror's Proposal. The State also may use information from other sources, such as third-party reporting agencies.

Financial Ability. Part of State's determination of an offeror's responsibility may include the offeror's financial ability to perform the Contract. This RFP may expressly require the submission of audited financial statements from all offerors in their Proposals, but if this RFP does not make this an express requirement, the State still may insist an offeror submit audited financial statements for up to the past three years, if the State is concerned an offeror may not have the financial ability to carry out the Contract. Also, the State may consider financial information other than the information this RFP requires as part of the offeror's Proposal, such as credit reports from third-party reporting agencies.

Contract Negotiations. The final phase of the evaluation process may be contract negotiations. It is entirely within the discretion of the State whether to permit negotiations. An offeror must not submit a Proposal assuming there will be an opportunity to negotiate any aspect of the Proposal, and any Proposal that is contingent on the State negotiating with the offeror may be rejected. The State is free to limit negotiations to particular aspects of any Proposal or the RFP, to limit the offerors with whom the State negotiates, and to dispense with negotiations entirely. If negotiations are held, they will be scheduled at the convenience of the State, and the selected offeror or offerors must negotiate in good faith.

The State may limit negotiations to specific aspects of the RFP or the offeror's Proposal. Should the evaluation result in a top-ranked Proposal, the State may limit negotiations to only that offeror and not hold negotiations with any lower-ranking offeror. If negotiations are unsuccessful with the top-ranked offeror, the State then may go down the line of remaining offerors, according to rank, and negotiate with the next highest-ranking offeror. Lower-ranking offerors do not have a right to participate in negotiations conducted in such a manner.

If the State decides to negotiate simultaneously with more than one offeror, or decides negotiations with the top-ranked offeror are not satisfactory and therefore negotiates with one or more of the lower-ranking offerors, the State then will determine if an adjustment in the ranking of the offerors with which it held negotiations is appropriate based on the negotiations. The Contract award, if any, then will be based on the final ranking of offerors, as adjusted.

Auction techniques that reveal one offeror's price to another or disclose any other material information derived from competing Proposals are prohibited. Any oral modification of a Proposal will be reduced to writing by the offeror as described below.

Following negotiations, the State may set a date and time for the offeror(s) with which the State conducted negotiations to submit a best and final Proposal. If negotiations were limited and all changes were reduced to signed writings during negotiations, the State need not require a best and final Proposal.

If best and final Proposals are required, they may be submitted only once, unless the State determines it is in the State's interest to conduct additional negotiations. In such cases, the State may require another submission of best and final Proposals. Otherwise, discussion of or changes in the best and final Proposals will not be allowed. If an offeror does not submit a best and final Proposal, the State will treat that offeror's previous Proposal as its best and final Proposal.

The State usually will not rank negotiations and normally will hold them only to correct deficiencies in or enhance the value of the highest-ranked offeror's Proposal.

From the opening of the Proposals to the award of the Contract, everyone evaluating Proposals on behalf of the State will seek to limit access to information contained in the Proposals solely to those people with a need to

know the information. The State also will seek to keep this information away from other offerors, and the State may not tell one offeror about the contents of another offeror's Proposal in order to gain a negotiating advantage.

Before the award of the Contract or cancellation of the RFP, any offeror that seeks to gain access to the contents of another offeror's Proposal may be disqualified from further consideration.

Negotiated changes will be reduced to writing and become a part of the Contract file, which will be available for public inspection after award of the Contract or cancellation of the RFP, provided the State does not plan to reissue the RFP. If the State plans to reissue the RFP, the Contract file will not be available until the subsequent RFP process is completed. Unless the State agrees otherwise in writing, the offeror must draft and sign the written changes and submit them to the State within five business days. If the State accepts the changes, the State will give the offeror written notice of the State's acceptance, and the negotiated changes to the successful offer will become a part of the Contract.

Failure to Negotiate. If an offeror fails to provide the necessary information for negotiations in a timely manner, or fails to negotiate in good faith, the State may terminate negotiations with that offeror, remove the offeror's Proposal from further consideration, and seek such other remedies as may be available in law or in equity. Further, if negotiations involve proposed changes to Attachment Nine for Key Commercial Software, the State may terminate negotiations with that offeror and remove the offeror's Proposal from further consideration, if the State and the offeror cannot agree on terms acceptable to the State.

PART FIVE: AWARD OF THE CONTRACT

Contract Award. The State plans to award the Contract based on the schedule in the RFP, if the State decides the Project is in its best interest and has not changed the award date.

Under Ohio's anti-terrorism legislation, effective April 14, 2006, the selected offeror must complete a Declaration Regarding Material Assistance/Non-assistance to a Terrorist Organization to certify the offeror has not provided material assistance to any terrorist organization listed on the Terrorist Exclusion List. The form and the Terrorist Exclusion List are available on the Ohio Homeland Security Website. The form must be submitted with the offeror's Proposal. If an offeror answers yes or fails to answer any question on the form, the State may not award the Contract to that offeror. The offeror may request the Department of Public Safety to review such a denial of an award. More information concerning this law is available at: <http://www.homelandsecurity.ohio.gov>.

Included with this RFP, as Attachment Five, is a sample of the Contract for the RFP. The State will issue two originals of the Contract to the Contractor proposed for award. The offeror must sign and return the two originals to the Procurement Representative. The State also will issue two originals of any Master Contract(s) for Software Licensing (Master Contract(s)) to the Contractor. If the licensor under any such Master Contract is not the offeror, the offeror will be responsible for coordinating execution of the document by the licensor and returning it to the State with the two originally signed copies of the Contract. The Contract and any Master Contract will bind the State only when the State's duly authorized representative signs all copies and returns one to the Contractor with an award letter, the State issues a purchase order, and all other prerequisites identified in the Contract have occurred.

The Contractor must begin work as early as 30 business days after the State issues a purchase order under the Contract. If the State awards a Contract pursuant to this RFP, and the Contractor is unable or unwilling to begin the work within the time specified above, the State may cancel the Contract, effective immediately on notice to the Contractor. The State then may return to the evaluation process under this RFP and resume the process without giving further consideration to the originally selected Proposal. The State also may seek such other remedies as may be available to the State in law or in equity for the selected offeror's failure to perform under the Contract.

Contract. If this RFP results in a Contract award, the Contract will consist of this RFP, including all attachments, supplements and written amendments to this RFP, the Contractor's accepted Proposal, and written, authorized amendments to the Contractor's Proposal. It also will include any materials incorporated by reference in the above documents and any purchase orders and change orders issued under the Contract. The form of the Contract is included as a one-page attachment to this RFP, but it incorporates all the documents identified above. The general terms and conditions for the Contract are contained in Attachment Four to this RFP. If there are conflicting provisions between the documents that make up the Contract, the order of precedence for the documents is as follows:

1. This document;
2. The RFP, as amended;
3. The documents and materials incorporated by reference in the RFP;
4. The Executive Order, EO 2011-12K incorporated by reference in the RFP;
5. The Contractor's Proposal, as amended, clarified, and accepted by the State; and
6. The documents and materials incorporated by reference in the Contractor's Proposal.

Notwithstanding the order listed above, change orders and amendments issued after the Contract is executed may expressly change the provisions of the Contract. If they do so expressly, then the most recent of them will take precedence over anything else that is part of the Contract. To be binding on the State, a duly authorized representative of the Department of Administrative Services must sign any change order under or amendment to the Contract.

Any Master Contract for Software Licensing will be a separate agreement and not part of the Contract, but the State may require the incorporation into the Master Contract of any representations regarding the performance, features, and functions of the Key Commercial Software made in the RFP.

ATTACHMENT ONE: EVALUATION CRITERIA

Mandatory Requirements. The first table lists this RFP’s mandatory requirements. If the offeror’s Proposal meets all the mandatory requirements, the offeror’s Proposal may be included in the next part of the technical evaluation phase described in the next table.

Mandatory Requirements	Reject	Accept
The offeror must propose a Commercial off-the-Shelf (COTS) Planning and Budget Management solution from a single software vendor. The Planning and Budget Management modules must be in an integrated suite running on the same architecture that provides a common user interface as well as an integrated data platform.		
Within the last three years the offeror must have at least one public sector Planning and Budget Management implementation of the proposed solution currently in production.		
The offeror must have a minimum of three Planning and Budget Management implementations of the proposed solution currently in production. These implementations must involve multiple business entities and at least \$10B in budget requests.		

Scored Criteria. In the technical evaluation phase, the State will rate the technical merits of the Proposals based on the following requirements and the weight assigned to each requirement:

Points will be awarded by the criteria listed in the following table with the best proposal in each category being awarded ten (10) points, the second best seven (7) points and the third best four (4) points and any proposal fourth best or lower that meets the criteria will receive two (2) points. Any offeror that does not meet the criteria receives zero points in that category. The standard for evaluation, consequently, is established by the competition.

However, in the event of ties or significant differences in the quality and content of the proposals, the evaluation committee reserves the right to rate the proposals accordingly.

Scored Criteria	Weight	Best	2 nd Best	3 rd Best	Lower than 3 rd Best	Not Acceptable
OFFEROR REQUIREMENTS						
<p>Within the last five years the offeror must have at least one public sector Planning and Budget Management implementation of the proposed solution currently in production.</p> <p>To demonstrate this experience, the offeror must include up to, but not more than, three references from public sector organizations that have completed a Planning and Budget Management implementation. If more than three references are provided, only the first three listed will be used for scoring.</p>	40	10	7	4	2	REJECT
<p>The offeror must have a minimum of three Planning and Budget Management implementations of the proposed solution currently in production. These implementations must involve multiple business entities and at least \$10B in budget requests.</p> <p>To demonstrate this experience, the offeror must include up to, but not more than, six references from organizations that have a Planning and Budget Management implementation currently in production that involve multiple business entities and at least \$10B in budget requests. If more than six references are provided, only the first six listed will be used for scoring.</p>	60	10	7	4	2	REJECT
PROJECT REQUIREMENTS						
PROJECT PLAN	50	10	7	4	2	0
WORK PLAN	70	10	7	4	2	0
STAFFING PLAN	30	10	7	4	2	0
PROPOSED SOLUTION						
FUNCTIONAL REQUIREMENTS						
1.1 Operation - Provide Budget Guidance to Agencies	30	10	7	4	2	0
1.2 Operation - Prepare Agency Budget Submission	40	10	7	4	2	0
1.3 Operation - Prepare Governor's Budget	40	10	7	4	2	0
1.4 Data	60	10	7	4	2	0
1.5 Reports	50	10	7	4	2	0
1.6 Security	30	10	7	4	2	0
1.7 Versioning	20	10	7	4	2	0
1.8 Uploads	50	10	7	4	2	0
1.9 Extracts	60	10	7	4	2	0

1.10 Payroll Projection Integration	10	10	7	4	2	0
1.11 Ease of Use	60	10	7	4	2	0
TECHNOLOGY						
2.1 Integration	70	10	7	4	2	0
2.2 Architecture	25	10	7	4	2	0
2.3 Database/Data Management	10	10	7	4	2	0
2.4 Interfaces	70	10	7	4	2	0
2.5 Security	40	10	7	4	2	0
2.6 Extract	20	10	7	4	2	0
2.7 System Administration	20	10	7	4	2	0
2.8 Remote Access	10	10	7	4	2	0
2.9 Reporting	20	10	7	4	2	0
2.10 Performance	15	10	7	4	2	0

Price Performance Formula. The evaluation team will rate the Proposals that meet the Mandatory Requirements based on the following criteria and respective weights.

Criteria	Percentage
Technical Proposal	70%
Cost Summary	30%

To ensure the scoring ratio is maintained, the State will use the following formulas to adjust the points awarded to each offeror.

The offeror with the highest point total for the Technical Proposal will receive 700 points. The remaining offerors will receive a percentage of the maximum points available based upon the following formula:

$$\text{Technical Proposal Points} = (\text{Offeror's Technical Proposal Points} / \text{Highest Number of Technical Proposal Points Obtained}) \times 700$$

There is a maximum of 300 Cost Proposal Points available. The Cost Proposal Points for each offeror will be determined based upon the following formula:

$$\text{Cost Proposal Points} = \text{Total Cost for Evaluation Points} + \text{Rate Card Evaluation Total Points}$$

The State will use the following formulas to determine the points awarded to each offeror for the Cost Proposal.

$$\text{Total Cost for Evaluation Points} = (\text{Lowest Total Cost for Evaluation} / \text{Offeror's Total Cost for Evaluation}) \times 285.$$

$$\text{Rate Card Evaluation Total Points} = (\text{Lowest Rate Card Evaluation Total} / \text{Offeror's Rate Card Evaluation Total}) \times 15$$

Total Points Score: The total points score is calculated using the following formula:

$$\text{Total Points} = \text{Technical Proposal Points} + \text{Cost Proposal Points}$$

ATTACHMENT TWO: PROJECT REQUIREMENTS AND SPECIAL PROVISIONS

PART ONE: PROJECT REQUIREMENTS

This attachment describes the Project and what the Contractor must do to get the job done. It also describes what the Contractor must deliver as part of the completed Project (the "Tasks" and "Deliverables").

Scope of Work. The following tasks and deliverables represent work the contractor must complete to successfully implement a Planning and Budget Management solution. Training of and knowledge transfer to State staff is required throughout the project.

The following section includes the scope of work for the Contractor and for the most part excludes the activities performed by the State team. These tasks and deliverables do not necessarily represent a logical sequence for completion of the work to be performed.

Overview. The Contractor must provide Commercially available Off-The-Shelf (COTS) software for a Planning and Budget Management solution. In addition, the State expects the Contractor to provide expertise and services related to planning and implementation of the Contractor's proposed COTS software solution. The Contractor must provide a Project Manager and subject matter experts (SMEs) to train and work with State staff to perform and assist with the following tasks:

- Task 1 – Project Management;
- Task 2 – Detailed Business and Technical Requirements Definition, Review and Validation;
- Task 3 - Design;
- Task 4 – Configuration and Implementation;
- Task 5 – Testing/Quality Assurance;
- Task 6 – Training; and
- Task 7 – Deployment Readiness/Production Release and Post Implementation Support.

The State prefers a phased implementation approach with usable product functionality being provided to users for testing on a Contractor defined schedule.

However, based on the relative differences of approaches, implementation timescales and perceived business benefits of the various systems on the market, offerors may propose an approach that differs from the preferred phased implementation approach. If an alternate approach is proposed offerors must provide the rationale (inclusive of resource, cost and timing considerations) with the Project Strategy, Work Plans and Project Plan required for the Proposal.

Throughout the project, the Contractor will be required to complete a Production Acceptance Criteria (PAC) checklist. At the end of each project phase, the Contractor must develop, lead the execution and report the status of activities to ensure the results are in keeping with the requirements of the State and in keeping with hardware and performance considerations associated with the Production Acceptance Criteria. An example of the PAC is provided in Supplement Five.

Task 1 - Project Management

The State will provide a Program Manager, Project Manager (State Project Manager) and Project Management Team to oversee the entire project, but the Contractor must provide project management for the Work under this Contract, including the day-to-day management of its staff and assist the State in managing the project planning. Additionally, the Contractor must provide all administrative support for its staff and activities. The State will also provide a Project Team that will include of separate leads for Business and Technology.

The Contractor must assist the State with coordinating assignments for State staff and work to include State staff in all project activities required for configuration and the ongoing operation and maintenance of the system. The Contractor must integrate State staff into the project as early as possible to enable the State to operate the solution without the requirement or reliance on Contractor staff following the system's implementation in the

production environment. The Contractor must identify all required State roles that will participate in all phases of the project, assumptions as to the nature, level and frequency of their involvement by deployment or task area and outline requisite skills or experience required to successfully participate in the project. The State will provide staff, as it deems appropriate, for all aspects of the project to work with the Contractor. State staff will assume increasing support roles throughout the project and will assume full operational responsibility of the completed project following the acceptance period and any post production support period for each release. The State is seeking to become self-sufficient in the ongoing operation and maintenance of the system following the implementation to a production environment. The contractor must foster this self-sufficiency through knowledge transfer and training to the State staff. Regardless of post-production support periods, the Contractor will be responsible for standard warranty of the implementation and the Planning and Budget Management Software in accordance with the licensing and maintenance agreements as negotiated between the State and the Contractor. The State may utilize one or more third party contractors to directly assist The State with this project.

Throughout the Project effort, the Contractor must employ ongoing and regular reviews of management techniques to ensure a comprehensive Project Plan is developed, executed, monitored, reported on, and maintained including but not limited to: project risks and issues, budget adherence, time and quality metrics, State personnel participation, availability and requirements as well as required deliverable reviews, milestone tracking and phase completion activities. The Contractor must adhere to the proposed Project schedule and complete status reporting in a State approved format.

The Contractor must provide a Project Manager for the Project. The Contractor must employ the proposed Project Manager as a regular, fulltime employee on the Proposal submission date and throughout the acceptance period. This Project Manager must work on-site at the State facility and will be the primary liaison working directly with the State Project Manager or designee.

It is the Contractor's responsibility to propose a system development methodology (SDM) that is defined, documented, repeatable and consistent with the Software Engineering Institute (SEI) Level 3 or higher Capability Maturity Model (CMM).

The Contractor's Project Management responsibilities include, at a minimum;

- Planning of the Project Mobilization Effort;
- Conducting Kickoff Meetings as required for project team members (Contractor and State staff), internal State stakeholders, and as required, external constituencies required to help ensure the overall success of the project through its phases and tasks including, but not limited to, external parties, IT staff, interfacing systems, personnel that report or analyze data in the system and other groups as identified by the State;
- Initial and ongoing Project Plan Development and Management including regular status reporting as required by the State;
- Development and Communication of Methodology and Approach Documents;
- Ongoing and Regular Meeting Attendance and Reporting;
- Inclusion of State personnel in all activities and decisions pertaining to the above; and
- Creation of the Production Acceptance Criteria (PAC) checklist for the project, with State input, to be used throughout the Project. Sample PACs are included as Supplement Five; these samples are intended to demonstrate the expected level of detail and will be used as the starting template.

Mobilization Effort. The State, with the Contractor, will initiate the project with a mobilization effort for the first 30 days of the project, followed by the project kick-off event. This effort will focus on planning, processes, and project methodology. The goal will be to discuss and evaluate the Contractor's proposed practices, methodologies and recommendations concerning the project. Additionally, the State, with the Contractor's assistance, will create the overall Project Strategy which is designed to conceptually define the Project.

Project Plan Development and Management. The Contractor must submit and present for feedback an updated Project Plan for the Contractor's tasks, in Microsoft Project, to the State Project Manager for review and approval as part of the mobilization effort. The detailed Project Plan must include all phases of the project

for which the Contractor has responsibility including major deliverables and tasks as well as tasks and dependencies that may be outside of the Contractor's responsibility but may influence or relate to the Contractor's work and ability to complete the Contractor's tasks as planned. The Project Plan must include a detailed task/activity level for duration of the project. The Project Plan must be updated on an ongoing basis with a more detailed view on an agreed upon time interval. This Project Plan must be maintained on an ongoing basis by the Contractor and updated weekly. The Contractor must assist the State in the creation, execution, monitoring and updates of the overall Project Plan.

The Project Plan must include a Staffing Plan (for the Contractor's resources and the State resources that are required to participate in Contractor related activities). The Staffing Plan must include the number of resources by role for the high-level tasks. Additionally, the Contractor must also provide an inventory of required State resources needed by task and role. The Contractor must assist the State in developing an overall Staffing Plan.

The Contractor must participate in a planning session which ensures the following:

- A common understanding of the Project Plan has been established;
- A common vision of all Deliverables has been established; and
- Clarity on scope of overall Project and the responsibilities of the Contractor has been defined and agreed to by the State.

Thereafter, the Contractor must:

- Formally update the overall Contractor Project Plan, including work breakdown structure (WBS) and schedule, and provide the updated Project Plan as part of its reporting requirements during the Project;
- Ensure the Project Plan allows adequate time for the State's review, commentary, and approval on all deliverables.

The State will work with the Contractor in advance of the presentation for review of any deliverable or work product to determine the appropriate number of business days it needs for such reviews and provide that information to the Contractor after award and during the mobilization effort. Should the State reject the plan in part or in full or associated Deliverables in part or in full, the Contractor must correct all deficiencies and resubmit it for the State's review and approval until the State accepts the Deliverable, at no additional cost to the State. Should the Contractor determine that the State's review of Deliverables or work products will impact the Contractor's ability to execute the Project in accordance with the agreed and established Project Plan, the Contractor will notify the State promptly with a request for expedited review of Deliverables or work products. In no case will expedited review be requested under circumstances that are within the Contractor's direct control or as they relate to Deliverables deemed deficient by the State for good reason.

Kickoff Meeting. The Contractor must plan and conduct a Project kickoff meeting presentation to the sponsors, key stakeholders and core project team after the mobilization effort. At a minimum, the presentation must include a high level overview of the following:

- Project scope and schedule;
- Goals of the Project;
- Methodology, approach, and tools to achieve the goals;
- Roles, responsibilities, and team expectations;
- Tasks, Deliverables and significant work products; and
- Milestones.

Approach Documents. The Contractor must work with the State to develop approach documents to establish Project standards and provide an overall context to manage the Project life cycle. Each document below will summarize a high-level approach for a specific area of the Project. The following approach documents must be developed and executed:

- **Project Strategy:** The Contractor must update the proposed Project Strategy and assist the State in the creation of the overall Project Strategy Plan.

- **Communication:** Building on the project kickoff-meeting(s) outlined above, the Contractor must work with the State representatives to execute the communication activities. The Contractor will be responsible for the communication activities including planning, scheduling and performance reporting. Communication materials must have a consistent look, feel and message throughout all forms of media.
- **Change Management:** The Contractor should note that the State will develop the Project change management approach and execute Stakeholder engagement, communications, development and delivery of a workforce transition plan, training design, readiness assessment and business process reengineering activities. The Contractor should be prepared to offer assistance, expertise or review to these activities as part of their participation in the project.
- **Knowledge Transfer:** The Contractor must develop the Project knowledge transfer approach to ensure the State staff has the required knowledge of the State solution and business processes for ongoing operation and support.
- **Issue and Risk Management:** The Contractor must develop an issue and risk management approach that provides a systematic methodology of identifying, analyzing, resolving and tracking Project issues and risks.
- **Configuration Management Plan:** The Contractor must develop a Configuration Management Plan for managing the changes made to production applications and/or the infrastructure during the life of the Project. All such changes must be planned, scheduled, monitored, and logged. The Configuration Management Plan must include, at a minimum:
 - A Configuration Control Plan that addresses the proposed methodology and tools for managing configuration control throughout the project.
 - decision and communication processes required before configuration changes can be made in the various system environments at various times in the project;
- **Change Request Review and Approval Process:** The Contractor must develop a change request review and approval approach. The approach document will provide a process for documenting, analyzing, approving and tracking scope changes for the duration of the Project per the Changes section (Attachment Four, Part Two). Under no circumstances are changes to be implemented without State review and approval. Should a material change be identified (i.e., items that will change the overall project budget, delivery timeframes or other aspects of the project pertinent to delivering the anticipated business benefit to the State), change requests are required to be submitted to the State in writing for approval by the State Steering Committee under the recommendation of the State Project Manager. Any change request that results in a Contract amendment will be formally processed and approved by DAS.

Meeting Attendance and Reporting Requirements. The Contractor must adhere to the following meeting and reporting requirements:

- **Immediate Reporting** - The Project Manager or a designee must immediately report any material project plan, scope, staffing, budgetary or risk profile changes for the Project to the State Project Manager (see: Attachment Four: Part Two: Replacement Personnel).
- **Weekly Status Meetings** - The Project Manager and other Project team members must participate in weekly status meetings with the State Project Manager and other people deemed necessary to discuss Project issues. The State Project Manager will schedule these meetings, which will follow an agreed upon agenda and allow the Contractor and the State to discuss any issues. The weekly meetings may be conducted remotely unless the State deems the meetings need to be on-site or if the Contractor staff is working on-site.
- **Prepare Weekly Status Reports** - During the Project, the Contractor must submit an electronic weekly status report, in a format agreeable to the State, to the State Project Manager on a mutually agreed upon day. At a minimum, weekly status reports must contain the following:

- A description of the overall completion status of the Project in terms of the approved Project Plan (schedule and cost);
- Updated Project schedule;
- The plans for activities scheduled for the next week;
- The status of any Deliverables;
- Time ahead or behind schedule for applicable tasks;
- Updated issue management report;
- A risk analysis of actual and perceived problems; and
- Strategic changes to the Project Plan, if any.

Document Sharing/Team Collaboration. The Contractor must utilize the State's hosted document management and team collaboration tool (SharePoint). Access will be provided via internal State networks and secure external connections to all Contractor team members.

Project Management Deliverables

1. Kickoff Meeting Presentation
2. Updated Project Plan
3. Project Strategy Approach
4. Communication Approach
5. Knowledge Transfer Approach
6. Issue and Risk Management Approach
7. Configuration Management Plan
8. Change Request Review and Approval Process
9. Weekly Status Reports*
10. Production Acceptance Criteria (PAC) Checklist

*Weekly Status Reports do not require a Deliverable review cycle.

Task 2 – Detailed Business and Technical Requirements Review and Validation

The State has completed the requirements gathering activities for the development of the Planning and Budget Management System. As a result, the Contractor will quickly move to the design task without substantial requirements analysis rework. The requirements are documented in the System Requirements Specification (Supplement Two). These requirements are designed to convey business and technical objectives, processes, procedures and standards to be implemented in the system. The State expects a brief Requirements review and validation process will be proposed and followed by the Contractor. The purpose of this process is to translate these requirements into specific system requirements sufficient to install and configure the application, size the new environments and integrate with applications within the State's current environment. Additionally, the Contractor, in coordination with the State, must identify the required performance criteria for successful implementation and acceptance of the system.

As part of the Business and Technical Requirements phase, the Contractor must provide training to business and technical users on the out of the box capabilities of the solution (see the Training section for more details). This training must be completed before the deliverables of this section are finalized.

Detailed Business and Technical Requirements Review and Validation Deliverables

11. Updated Business Requirements
12. Updated Technical Requirements
13. Identification of any requirements that cannot be fulfilled via Contractor core software, configurations, extensions, interfaces or reports
14. Design assumptions to accommodate an agreed list of business or technical requirements
15. Proposed alternate approaches to achieving the business or technical requirements based on completion of this Review and Validation Task

16. Completed Production Acceptance Criteria (PAC) checklist for this phase of the project

Note: Offerors are encouraged, during the inquiry process to identify and request clarification of any unclear, ambiguous or conflicting requirements provided in Supplement Two. The selected Contractor will not be permitted to materially alter their response or Cost Proposal following any award of this RFP due to requirements that are not clarified during the Inquiry Period.

Task 3 - Design

With regard to customizations, enhancements and extensions to the proposed software, the following requirements shall apply and govern all Design, Configuration and Implementation activities:

- Wherever possible, the Contractor must implement the solution using out-of-the-box delivered functionality (base functionality) and leverage standard configuration tools and routines as delivered as opposed to developing custom coding or routines outside of the “as-delivered” software;
- Customizations, if approved by the State in writing, must be designed in such a manner as to not void any software publisher warranties, not introduce any performance issues or bottlenecks to the “as delivered” software and be developed in such a manner as to not preclude or overly complicate upgrades to future versions of the software. To the extent that extensions and enhancements are required to support the functional and technical designs, these extensions should leverage standard conventions. Interfaces developed to the “as delivered” software should adhere to the programming conventions of the software and adhere to published application programming interfaces (APIs); and
- Any incompatibilities or considerations arising from Design or Implementation/Build activities that violate the previously mentioned considerations are required to be presented to the State in writing with a rationale as to why the customization, enhancement or extension is required with a proposal to simplify the requirement to comport with “as delivered” functionality as provided by the software, and seek the State approval to proceed with the design or build activity.

The Contractor must provide a technical architecture design for the project inclusive of hardware configurations, storage, database, operating systems, software, interface/middleware and other technical components. The Contractor must recommend optimal technical components as to ensure maximum operational performance, availability and up time in practical use at the State in a production environment. Additionally the Contractor must document non-production environments including development, test (performance, system integration, UAT), and training. The State must become familiar with the underlying infrastructure and operating system components for the recommended solution. The Contractor must provide best practices, specifications and recommendations for implementation of the proposed solution. The Contractor must provide a Technical Design document along with a Functional Design document mapping process to the software functions. The Contractor must integrate the State’s requirements into the technical design. The State will assist in these tasks.

The Contractor must conduct the following reviews and tasks to confirm and define the requirements. In all cases, unless otherwise specified, the reference to Design means functional design (e.g., system processes and user interaction), technical design (e.g., system configuration, extensions and interfaces), interface design (e.g., system to system interactions whether real time or periodic batch data exchange) and process design (e.g., overall workflows and business processes associated with the System).

Design Session Requirements:

The Contractor must lead the Design planning and execution. During the Design sessions, the Contractor must walk each business process through the delivered software module and document any processes, new requirements, functional or technical gaps between the System Requirements Specification (Supplement 2) and the capabilities of the software system.

The Contractor must develop a Design session document that identifies process changes, policy changes, new requirements and/or modifications to the software module to address the gaps identified during the Design

sessions. Additionally, the Contractor must update the System Requirements Specification to reflect the specifics of the software module and changes/additions as a result of the Design session.

Functional Requirements Inventory:

The Contractor must document the functional components that will be in the Designs including:

- New or revised business processes;
- A list of software module configuration items (Reports, Interfaces, Conversions, Extensions (RICE));
- Workflow requirements; and
- Security requirements.

Technical Requirements Inventory:

The Contractor must identify the technical components that will be in the Designs including:

- Interfaces;
- Reports and queries; and
- New enhancements identified during the Design session.

Functional Design Requirements:

The Contractor must develop the Functional Design for each of the functional components that will be developed during the Configuration and Implementation tasks of the Project. The Functional Design must include:

- Base system configuration and configuration parameters;
- Module configuration;
- Business Configuration Design;
- Application enhancements and extensions;
- Application workflow;
- Process and Interface Scheduling;
- Application security;
- Inventory of required Job Aids or Training Materials to be created in subsequent tasks; and
- Reporting strategy.

Technical Design Requirements:

The Contractor must develop the Technical Design that will be implemented during the Configuration and Implementation tasks of the Project. The Technical Design must be the architectural design and technical specifications of the recommended solution. The Design must meet the standards for availability and performance described in Attachment Four, Part Five - Standards for Performance and Acceptance as well as any additional performance standards that the Contractor recommends. The Technical Design must include:

- Technical and operational specifications for all hardware, software and environments (production and non-production); and for application enhancements and extensions used in the solution;
- System diagrams showing recommended configuration of software across the recommended support infrastructure (operating systems, servers, firewalls, storage, etc.);
 - Diagrams and associated documentation must include sizing and hardware specifications
- All hardware and software configurations necessary to support the recommended solution;
- Specifications for user interface technologies such as web, portal, and mobile device
- Specifications for system to system communication such as batch, data transfer, messaging, network protocols;
- Specifications and capabilities related to securing data and communications;
- Specifications and system diagrams for supporting messaging and workflow;
- Specifications and system diagrams for supporting reporting and query;
- Comprehensive set of business object naming and usage standards;
- Ongoing Maintenance and Support Requirements including production support and operating requirements; and
- System Performance Requirements.

Systems Integration Requirements:

The Contractor must develop the Systems Integration Plan to document the approach for all integration points and interfaces for internal or external systems. The plan must include software and hardware specifications for each type of interface required.

Design Deliverables

17. Design Session Documentation
18. Updated Business Requirements (if applicable)
19. Functional Requirements Inventory
20. Technical Requirements Inventory
21. Functional Design
22. Technical Design
23. System Integration Plan
24. Completed Production Acceptance Criteria (PAC) checklist for this phase of the project

Task 4 – Configuration and Implementation

The Configuration and Implementation tasks must result in the implementation of the approved designs of the Planning and Budget Management System solution. The State will take on an increasing role in the implementation activities over the duration of the project and will provide the necessary IT and business resources for the implementation. The Contractor will perform knowledge transfer to State staff throughout the Configuration and Implementation Phase. Detailed requirements are provided in the Training section of this document.

Software Installation:

The Contractor must:

- Perform the installation and technical configuration of the software products (in all environments) with the participation of the State resources;
- Maintain all environments from the point of the initial build until production deployment
- Provide software installation documentation both as provided by the software manufacturer and as implemented at the State, inclusive of configuration values, customizations and other elements specific to the State implementation; and
- Cross train the State staff and produce the State-specific environment installation and configuration documentation.

Configuration of Business Processes and Rules:

The Contractor must configure the required business processes and rules using the software solution with the State's assistance.

The Contractor must:

- Provide documentation on standard processes and rules implemented by their solution;
- Provide best practices on organizational structure(s) recommended to support business unit updates to processes and rules;
- Work with the State to identify the State process transformation opportunities including simplifying processes, workflows or transactions to best utilize the features and functions of the software with as little modification as possible; and
- Work with the State to strategize and document any organizational recommendations to support new practices as a result of the new system implementation and any interim processes as a result of the phased nature of the implementation.

Configuration of Integration Layer:

The State requires the software solution's integration tier to address business events, perform data migration and construct integrations with partners and legacy applications during implementation.

The Contractor must:

- Provide documentation on configuration and usage of the integration tools provided or utilized by the proposed solution;
- Provide documentation regarding events and event processing within the solution's integration layer inclusive of error identification and handling;

The Contractor must perform the following activities with the State's assistance:

- Create data migration routines, programs or scripts ;
- Identify business events and develop the resultant integration architecture and integration code to address these events and inevitably process these events via use of the system; and
- Provide any programming required to identify, react to, and process business events that are not processed in an automated fashion via the integration layer.

Component Configuration and Unit Testing:

The Contractor must configure the Planning and Budget Management System software, application workflow and security setup. The Contractor must develop and unit test the configuration, interfaces, reports and queries.

The Contractor must test all components (i.e. programs) as stand-alone entities and correct all errors and defects. The creation of unit tests ensures that a single component is resilient and will function correctly on a stand-alone basis (e.g. the component can take inputs and produce expected outputs consistently and repeatedly).

Once completed, the Contractor must provide a configuration and unit test letter certifying that the above activities are complete to the satisfaction of the State.

Coordinate Technical Environment:

Throughout the project, the Contractor must, with assistance from the State coordinate activities to create, refresh and maintain the environments to support the implementation lifecycle and ensure that the technical architecture is implemented as approved in the Technical Design.

Creation of Solution and Operations Documentation:

Solutions Documentation

The Contractor must:

- Document the solution developed or modified by the Contractor in accordance with established methods, processes, and procedures such that, at a minimum, the State or a competent third party service provider can subsequently provide the same scope of services associated with migration to the State's production environment;
- Develop and maintain, as agreed appropriate, the documentation for in-scope environments. Where it is determined that documentation is inaccurate (for example, due to demonstrated errors or obsolescence), and such inaccuracy may negatively affect the production usage of the system, the Contractor must correct such documentation as part of its execution of the Project and prior to presentation of the solution for acceptance; and
- Update programmer, end user and operational reference materials to be reflective of the final the State accepted solution.

Operations Documentation

The Contractor must develop a complete operations document that must be provided at the end of the development activities. The operations documentation must include overviews of the application, system structure, major processing, and required interfaces. This will include any required periodic maintenance tasks.

The operations documentation must also describe the overall batch or background process schedule, which includes dependencies, sequencing, and timing. This documentation must be updated as required throughout the testing, training, and implementation phases of this project.

Disaster Recovery Documentation:

The Contractor must work with the State to define disaster recovery requirements and provide detailed disaster recovery procedures for the system, based on the provided software solution, operating systems, databases, and hardware involved.

Implementation/Build Deliverables

25. Component Configuration and Unit Testing Completion Letter and Results
26. Solutions Documentation
27. Operations Documentation
28. Disaster Recovery Documentation
29. Completed Production Acceptance Criteria (PAC) checklist for this phase of the project

Task 5 –Testing/Quality Assurance

For the Planning and Budget Management System solution, functionality or elements that will be subject to a formal testing and acceptance process will use objective and thorough test criteria that will allow the Contractor and the State to verify that each implementation meets the overall specified functional, technical and performance requirements. The testing and acceptance process, inclusive of business scenarios, processes and transactions, must be developed for each system configuration following the establishment of final business and user requirements. The testing and acceptance process must include sufficient documentation and audit trails as required to identify, track and correct issues and defects.

The Contractor must:

- Develop and maintain test data repositories as agreed appropriate;
- Develop and publish test plans, scripts, cases and schedules as agreed appropriate;
- Utilize automated test tools to perform regression testing;
- Support the operation of test environments as required to perform the system, performance and user acceptance testing work;
- Compile and maintain a solution defect, including correction timelines and issue lists;
- Conduct regular system quality and progress reviews with the appropriate State personnel including testing progress information inclusive of test execution, issues/defects identified, issues/defects repaired and ready for retest and test issues/defects resolved;
- Coordinate and confirm the State approval of solution components and verification of applicable acceptance criteria for transition into deployment and production use; and
- Provide weekly reports tracking the progress of Contractor's performance of testing work, or in the case of user acceptance testing, support of the State activities. In addition, the Contractor must provide timely responses to the State's requests for information and reports necessary to provide updates to the State business units and stakeholders. The Contractor must also provide a database extract that tracks the progress of the Contractor's testing work.

System Integration and Performance Test Plan:

The Contractor must develop the system integration and performance test plan including an inventory of test scenarios, scripts, and participation requirements, the schedule and the State signoff criteria. This plan must address all of the functional and technical components of the Planning and Budget Management System application, processes and transactions.

System Integration and Performance Testing Tasks:

The Contractor must perform the following system integration and performance test tasks:

- Develop and document system integration and performance test cases and procedures: The Contractor must develop, execute and report the status of test scenarios, scripts and cases.
- Execute system integration and performance testing: The Contractor must perform the following testing activities for solution components, and assess quality and completeness of results including:
 - System test/assembly;
 - Integration/interface, and regression testing of new releases with existing applications (fully test of solution integration/interfaces with production instances of the environment(s));
 - Utilize automated test tools;
 - Performance test including regression testing new releases of existing applications as well as the potential performance impacts to current production environments where a risk of impacting performance or data integrity may be introduced as a result of these elements; and
 - Perform technical architecture build/configuration testing (e.g. batch scheduling, interfaces, operations architecture, etc.);
- Publish system integration test execution results: The Contractor must develop, execute and report the status of system test execution and the comparison of actual test results to expected results to validate the success of each test script.
- Publish performance test execution results: The Contractor must develop, lead the execution and report the status of performance testing activities and coordinate with the State to ensure the performance results are in keeping with the State requirements and in keeping with hardware and performance considerations associated with production acceptance criteria.

User Acceptance Test (UAT) Plan:

The Contractor must develop the UAT plan including test scenarios, scripts, end-user training and participation requirements, schedules, and signoff criteria with the State. The UAT plan must focus on the solution and the processes from the end-user perspective.

User Acceptance Testing Support Tasks:

The Contractor must support the State User Acceptance Testing as follows:

- Develop UAT test scenarios, scripts, cases and procedures with the State;
- Coordinate UAT execution and acceptance procedures with the appropriate the State participants;
- Review changes, fixes and enhancements required as a result of UAT with the participants in the UAT;
- Correct identified defects and nonconformities in accordance with the acceptance process; and
- Record and report the UAT execution results including comparing actual test results to expected results to validate the success of each test script.

Once UAT is completed, the Contractor must provide a UAT Execution Report and Completion Letter certifying that the above activities are complete to the satisfaction of the State.

Deployment & Production Readiness Testing Tasks:

The Contractor must perform the following deployment and production readiness tasks:

- Go-Live/Cutover Test Plan: The Contractor must create a detailed Go-Live/Cutover Test Plan that defines all configuration steps, conversions and items to be tested or validated during system cutover to a production environment.
- Readiness Assessment Signoff: The Contractor must work with the State to conduct an assessment to determine the readiness of the organization and the Planning and Budget Management System application for go-live. Part of the readiness review will be to ensure that all functional, technical and user documentation has been reviewed and accepted by the State. Upon completion of the readiness assessment, the State will make a final go-live decision. The go-live date will be scheduled and resources, roles, and responsibilities will be confirmed.
- The Contractor must test or validate, as applicable, the modified software prior to presentation to the State for any move to production and coordinate the scheduling and execution of end user testing of the system including any service packs and patches. Acceptance testing signoff is required prior to any move to a production environment.

Additional Services:

To the extent a testing or production incident is due to errors, omissions, documentation inconsistencies or bugs in an in-scope environment, supported server or in-scope software element licensed by a third party to the State, the Contractor must assist the State by referring such incident to the appropriate third party entity for resolution and coordinating with the third party contractor, as appropriate, to help minimize the State's role in problem management.

The Contractor must, to the extent possible, implement measures to help avoid unnecessary recurrence of such incidents, by performing root cause analysis and event correlation for items discovered during system, user, performance or production entry testing/validation activities.

Testing/Quality Assurance Deliverables

30. System Integration and Performance Test Plan
31. System Integration and Performance Test Scenarios, Scripts and Cases
32. System Integration Test Execution Report and Completion Letter
33. Performance Test Execution Report and Completion Letter
34. UAT Plan
35. UAT Scenarios, Scripts, Cases and Procedures
36. UAT Execution Report and Completion Letter
37. Deployment and Production Readiness Test Plan
38. Completed Production Acceptance Criteria (PAC) checklist for this phase of the project

Task 6: Training

Prepare and Maintain Training Environment. The Contractor, with the State's assistance, must setup of the training environment that replicates the production environment. The Contractor must maintain the training environment prior to production deployment, and train State resources on the proper upkeep of and troubleshooting for the training environment. The Contractor must propose a refresh schedule for the training environment and provide instruction to State resources on proper administration of these refreshes (including, if necessary, the creation of any save sets for the retention of staged data). The Contractor must ensure the training environment is operational in line with the training schedule. The Contractor must create any staged data required for the delivery of training and instruct State resources on the proper replication of the data.

Training Plan. The Contractor must work with the State to develop the Training Plan based on the functional and technical components of the system. The Training Plan must include curriculum designed for Contractor instructor led courses and the State Train the Trainer courses.

The Training Plan must include:

- A complete course listing with course descriptions
- Learning objectives for each course
- A matrix of the State staff by role and which components of the training each group will need
- A description of all training materials that will be required/developed/used
- A description of how required OBM Training Academy design standards (see Supplement Six) will be used to develop the training materials
- A description of how training will be evaluated, including, but not limited to:
 - A full-length run through (pilot) of each course prior to their official launch.
 - Participant evaluation of training
 - Evaluation of what participants learned
 - Evaluation of how employees are able to apply training to their work
- Recommended follow-up activities that ensure training transfers to the workplace
- Recommended support infrastructure at each office/division that ensures questions, technical support, etc. are addressed
- A description of the activities and practice exercises for each course. These must be based on real-world activities per the State's recommendations.

- A description of any electronic (web based, CBT etc.) assessment tools or other computer based training options. In the event the State decides to develop any of the content into e-learning prior to production deployment, the Contractor must provide assistance with any training development, implementation, feedback and review of the materials.
- A training schedule for all training events, including the training of up to 150 State agency personnel to be trained by OBM personnel once they have completed the Train the Trainer training described below. The training schedule must include sufficient time for re-work of the materials after the run-throughs of each course.

The Contractor must provide the following training, at a minimum:

1. Contractor Instructor Led Training for up to 20 business and technical staff participating in Business Requirements Definition, IT Technical Requirements Definition, and Design phases of the implementation project. The State has determined that providing training to increase understanding of the selected solution and associated business processes is a critical success factor for a successful implementation. The training should ensure staff leave with, at a minimum, an understanding of:
 - a. Out of the box product features (including screens, reports etc.)
 - b. Out of the box business processes
2. Contractor Instructor Led Training for up to 20 technical and business staff expected to install, support or manage the COTS solution (software and/or hardware). The instructor(s) must be proficient in the specific curriculum, including but not limited to:
 - a. System Maintenance and Operation - This training must cover any functions performed by technical staff on installation, troubleshooting, system integration as well as basic system modifications. This includes:
 - i. System Configuration Tasks (Web, Application, and Database tiers)
 - ii. Ongoing Maintenance Tasks (Web, Application, and Database tiers)
 - iii. Security Configuration Tasks
 - iv. Network Configuration Tasks
 - v. Single Sign-on Capabilities and Active Directory Integration
 - b. Tools – This training must cover tools related to profiles, management reports, reassignment, workflow/work list, dashboards and thresholds.
3. Contractor Instructor Led Train the Trainer Training for OBM personnel who will in turn train up to 150 State agency staff using the system. The Contractor must provide:
 - a. Training Curriculum for the State’s Training Department. This training will be provided for a maximum of 20 OBM Training Department and Budget Department personnel. The training curriculum must include the following:
 - i. Overall user processes involving specific, real world, state-approved tasks for business staff using the software package for day to day processes
 - ii. Overall user processes involving specific, real world, state-approved tasks for the external facing portal used by the State customers for viewing status and self-service tasks
 - iii. Instructor guides for the trainers based on OBM Training Academy templates
 - iv. Overview of Budget Preparation Software
 - v. Detailed, step-by-step instructions on how and where to enter data
 - I. For example, how the fields are defined, what type of information is entered into which fields, the similarities and differences on the four tables/screens (expenditures A and B, revenue, and transfers)
 - vi. Detailed, step-by-step instructions on how to submit agency requests

- vii. Detailed, step-by-step instructions on how to reject or return agency requests for editing
- viii. Detailed, step-by-step instructions on how to submit OBM recommendations for agency budgets
- ix. Detailed, step-by-step instructions on how to run reports
- x. Detailed, step-by-step instructions on how to extract data by exporting to another application such as Excel or a database
- xi. Detailed, step-by-step instructions on how to extract data by exporting to another application for budget document publication (Is this required?)
- xii. Detailed, step-by-step instructions on how to upload spreadsheet data using the upload tool
- xiii. Detailed, step-by-step instructions on how to troubleshoot including what to do when the troubleshooting techniques fail
- xiv. Detailed, step-by-step instructions on how to create, view, and manipulate summaries and slice and dice information
- xv. Detailed, step-by-step instructions on how to view data at different levels of detail
- xvi. Detailed, step-by-step instructions on how to compare budget versions
- b. Contractor instructor(s) must train, coach and mentor the State trainers as they learn the curriculum, including best practices on how the curriculum is to be taught. The instructor must participate in the initial sessions delivered to the State employees by providing assistance, subject matter expertise input and feedback to the trainers.
- c. Learner guide for trainees based on OBM Training Academy templates

Training Facilities. The State will provide classrooms at a designated State training site. Classrooms include network connections and materials (personal computers, desks, chairs, etc.) necessary for 12 to 15 students per class. The training presentation style must be hands-on, instructor led. The State may record any training sessions and use any training materials for future training, user documentation, or promotional use.

Training Materials. The Contractor must develop necessary training materials for all courses using the required OBM Training Academy design standards (see Supplement Six). All training materials must be reviewed per an agreed-upon schedule and approved by the State prior to the start of training. The State will retain full ownership of all materials developed and used, and the Contractor must provide the rights to reproduce training materials as needed.

Training Delivery. Prior to deployment, the Contractor must submit a letter certifying the completion of functional and technical training. Training will only be considered to be complete once the State confirms this document.

The State will have the final decision on all matters related to training design, development, and delivery.

Training Deliverables

- 39. Training Plan
- 40. Training Curriculum
- 41. Training Materials
- 42. Letter certifying completion of Training Delivery
- 43. Completed Production Acceptance Criteria (PAC) checklist for this phase of the project

Task 7 – Deployment Readiness/Production Release and Post Implementation Support

The Contractor must work with the State, to execute the production deployment and roll-out of the Planning and Budget Management System to the State production environment.

Deployment includes coordination of software deployment to the end user desktop equipment or file server elements (if applicable), identification of interfaces and any required conversions/migrations, installation and testing of any required middleware products, installation of server software, and any required testing to achieve the proper roll-out of the application software.

The Contractor must comply with the State required implementation and deployment procedures. This may include network laboratory testing, migration procedures, and/or the use of any pre-production or pseudo-production environment prior to production migration. The Contractor must provide business user support from deployment through acceptance of the Planning and Budget Management System solution.

Deployment Plan:

The Contractor must develop and submit a Deployment Plan to manage the implementation. The implementation plan must describe to the State how the Contractor will implement the system. The plan must detail the approach for coordinating the following:

- Technical preparation activities;
- Development of an implementation activities check list;
- Implementation schedule;
- Activities required to effectively implement, operate, and maintain the system. In addition to the activities, the plan must include, but not be limited to, staffing requirements by staff type and skill level, and the activities that must be performed by this staff;
- Identify deployment procedures; and
- Production Acceptance Checklist

Pre-Production and Production Migration

The Contractor must perform the following tasks and activities as part of the Pre-Production and Production Migration:

- Compile and maintain solution issue lists;
- Produce an end-to-end final validation of the operational architecture and corresponding operational documentation for the Planning and Budget Management System solution;
- Completed and approved Production Acceptance Checklist
- Conduct quality and progress reviews with appropriate the State personnel;
- Develop, and thereafter maintain and make available to the State, a knowledge base of documentation gathered throughout the Project's life and allow for re-use of such documentation for future Projects;
- Transition solution support responsibility to the State;
- Conduct a post-implementation review process upon the completion of each production release of the Project including an analysis of how the business system(s) resulting from the Project compare to the established post-deployment performance requirements; and
- Establish a performance baseline for the Project business systems and, where appropriate, document requirements for future performance enhancement of the business systems implemented as part of the Project.

Production migration activities must strictly adhere to approved production acceptance criteria and will not be considered for production migration until all such criteria are met or otherwise accepted by the State.

Post Implementation Support:

In addition to the Pre-Production and Production Migration tasks described above, the Contractor must provide for a period of no less than ninety (90) calendar days, unless otherwise agreed by the State, sufficient staffing to ensure the overall continuity of the handoff of the Planning and Budget Management System solution to the State.

A 90 day production support period will commence upon written acceptance of the Deployment (successful completion of the performance period as defined in Attachment Four: Acceptance and Maintenance – Standards of Performance and Acceptance) and the Contractor's successful completion of the tasks and activities required as part of the Pre-Production/Production Migration. During this period the Contractor is obligated to support the State's production migration and end-users.

In the event that any "Critical" or "Urgent" item (or any critical blocking issue) occurs during this 90 day period, this 90 day period may be extended, at the sole discretion of the State, for a period commencing upon

satisfactory resolution of the issue in the production environment. Under no circumstances will the Contractor performance during this period or successful conclusion of this period (i.e., no issues detected for 90 days) be construed as relief from or reduction to any Software Warranty considerations contained in this RFP.

Incidents categorized as "Critical Items" are the most severe outages or functional issues as defined in Attachment Nine, the Master Contract for Software Licensing, Part V, Paragraph 6.

Incidents categorized as "Urgent Items" are the significant system problems of intermediate severity as defined in Attachment Nine, the Master Contract for Software Licensing, Part V, Paragraph 6.

During this period the Contractor must:

- Provide personnel with the requisite skills and experience levels in development of the Planning and Budget Management System solution to answer questions;
- Address any software defects, gaps, omissions or errors that are discovered in the Contractor's work as they pertain to operation in a production environment;
- Resolve any configuration, performance or compatibility issues that arise as a result of migration of the Contractor's work to a production environment;
- Document any relevant changes to operational, configuration, training, installation, commentary or other documentation as a result of migration the Contractor's work to a production environment;
- Assist the State with production issue triage, root cause and remedy analysis and wherever possible propose workarounds, fixes, patches or remedies (code-based, procedural or environmental) required to successfully transfer and operate the Contractor's work to a production environment.
- Present a Post Implementation Support Signoff Document to the State upon acceptance of the 90 day production support period.

The 12 month warranty commences upon the State acceptance of the final release of the system, which occurs upon successfully completing the performance period. The 12 month warranty must be provided at no additional charge to the State and must be in accordance with the warranty provisions described in the RFP.

Project Close Out:

The Contractor must organize and turn over to the State, in an electronic form, all files, documents and other Project artifacts produced for use by the Planning and Budget Management System Project within 90 days after acceptance of the final Post Implementation Support.

Deployment Readiness/Production Release and Post Implementation Support Deliverables

44. Deployment Plan
45. Completed Production Acceptance Criteria (PAC) checklist
46. Post Implementation Support Signoff Document
47. Project Close Out

Interval Deliverable Agreement (IDA)

Additional work for this project (e.g., conversion tasks, additional reports, changes in scope, etc.) may be defined using the Interval Deliverable Agreement (IDA) model. The Contractor must work with designated State staff, to develop deliverables for each defined interval at any time during the Contract. The deliverables will be negotiated prior to the start of each interval and will be monitored throughout the interval and the life of the Contract. The State and the Contractor will agree in writing, during the course of the Contract, to specific work assignments, sub-deliverables, due dates, Contractor staffing requirements (based on positions and associated hourly rates in the Cost Summary Rate Card), State resources and the proposed deliverable agreement for the defined interval. A deliverable or sub-deliverable may be identified as a work product or hours toward completion of a work product. The IDA documents must be developed and submitted for State approval at least 30 days prior to the interval start date. An IDA is not effective until the State (the State and DAS) and Contractor have approved and signed the agreement. All IDA content (deliverables, including sub-deliverables, Work Breakdown Schedules (WBS) with due dates, etc.) will be amended to the Contract. IDAs are expected to be a combination of distinct projects, tasks, or reports and activities that will be consultative and billed on the basis of time and materials or as a deliverable completion as agreed to by the State and the Contractor.

The IDA (i.e., specifications, deliverables, work assignments, and due dates) may be amended based upon changing circumstances during a particular interval. An amendment to an IDA must be in writing and signed by both the State and the Contractor prior to performing the work specified in the amendment.

Specific application of standards of performance and acceptance may be defined in an IDA. The information below sets a guide and general rule of thumb for these standards.

If the IDA so indicates, there will be a period for performance testing in a production environment specific to the deliverables identified in the IDA. Prior to the performance period, the State, with the assistance of the Contractor, will perform user acceptance testing. Specifics of the performance period such as the timeframe, resources, support required, entrance and exit performance criteria, and standards of performance will be determined by the State, negotiated with the Contractor and incorporated in the IDA. The performance criteria in the IDA may be supplemented with relevant user manuals, technical materials and related writings, to the extent that the specifications in those writings supplement and refine rather than contradict the performance criteria in the IDA. Acceptance of the Deliverable depends on a successful completion of the performance period defined in this section and the IDA. This section applies to the Deliverables defined in the IDA, and any part of it, as well as replacements or substitutes for the Deliverable after completion of a successful performance period.

If the Deliverable does not meet the standard of performance during the performance period, the State will document the issues in a timely manner and in a useful and relevant form. Until the Contractor has demonstrably corrected all outstanding problems, the performance period will not restart and the Deliverable (or part thereof) will not be accepted. The performance period will continue on a day-by-day basis until the standard of performance and exit criteria are met. The Contractor will not be compensated until the Deliverable is accepted and any additional cost associated with the iterations required to obtain acceptance are the responsibility of the Contractor.

If the Work fails to meet the standard of performance and exit criteria during the performance period, the Contractor will be in default. In addition to all other remedies the State may have under this Contract, the State will have the right to request correction or replacement of the relevant portion of the IDA.

The Work may have components that can be tested for acceptance individually. If so, there may be acceptance criteria listed in the IDA for each Deliverable that will be independently tested and accepted. But, unless the IDA expressly provides otherwise, the failure of any independently tested component to meet its acceptance criteria will give the State the right to reject the entire Deliverable. Alternatively, if the State determines that it is in the State's interest to reject only the part of the Deliverable that was independently and unsuccessfully tested, it may do so. If the State chooses this option, the State will be entitled to a refund or credit toward the Contractor's Fee.

All IDAs must contain the following information, at a minimum:

- The designated interval length for each IDA.
- Goals and Objectives for the interval.
- Deliverables to be completed or partially completed during the interval. This will include, but not be limited to:
 - Deliverable Name;
 - Description of Deliverable including tasks or milestones to be completed;
 - Detailed acceptance criteria and standards of performance;
 - State dependencies identified by the Contractor for successful completion of the Deliverable;
 - Deliverable Due Date;
 - Risks associated with delays and incomplete Deliverables; and
 - Fixed pricing for each Deliverable based on staffing requirements (services to be performed, identification of Contractor staff resource by name and position, number of hours allocated to the task for each assigned position, individual hourly rate for each Contractor resource assigned to a task, etc.).

The State may identify tasks and services that will be billed on a time and material basis. The State does not anticipate a need for time and material services for this Project, however in the event that time and materials work is appropriate, at the sole discretion of the State, the following information, at a minimum, must be provided in the IDA:

- Name, title, identification of the employer (prime or subcontractor) and number of staff;
- Staff work hours with any known exceptions noted;
- Description of the work to be performed by the Contractor;
- Specific Contractor resources assigned;
- Individual rate for each Contractor resource assigned;
- Projected number of Contractor hours allocated (per resource);
- Dates covered in the work;
- Dependencies;
- Management or staffing issues;
- Standards of performance; and
- Work Breakdown Schedule (WBS) for all Work in the IDA.

In addition, the following information may also be required:

- Staffing Issues
- Required work related travel and training.

It is the Contractor's responsibility to provide qualified professionals to meet the goals, tasks, and objectives of each IDA.

The State's intent is for all IDAs to be developed and negotiated in partnership between the State and the Contractor, with each having a vested interest in its success. In the event that the State and the Contractor are unable to negotiate an IDA, the State, at the discretion of the State Executive Management may request mediation.

Project Service Level Requirements

Service Level Framework. This section sets forth the performance specifications for the Service Level Agreements (SLA) to be established between the Contractor and the State. The document contains the tables and descriptions that provide the framework, expectations relating to service level commitments, and the implications of meeting versus failing to meet the requirements and objectives, as applicable. This document defines the State's detailed performance, management, and reporting requirements for the Project and to all subsequent ongoing Project services that are contracted under future IDAs between the State and the Contractor related to the system.

Both the State and the Contractor recognize and agree that new categories of Service Levels and performance specifications may be added or adjusted during the term of the Contract as business, organizational objectives and technological changes permit or require.

The mechanism set out herein will be implemented to manage the Contractor's performance against each service level, in order to monitor the overall performance of the Contractor.

The Contractor will be required to comply with the following performance management and reporting mechanisms for all services within the scope of the Project:

- **Service Level Specific Performance** – Agreed upon specific service levels to measure the performance of specific services or service elements. Most individual service levels are linked to financial credits due to the State ("Performance Credits") to incent Contractor performance.
- **Overall Contract Performance** – An overall performance score of the Contractor across all service levels. The overall performance score is linked to governance and escalation processes as needed to initiate corrective actions and remedial processes.

Service Level Specific Performance Credits. Each service level (SL) will be measured using a “Green-Yellow-Red” traffic light mechanism (the “Individual SL GYR State”), with “Green” representing the highest level of performance and “Red” representing the lowest level of performance. A performance credit will be due to the State in the event a specific Individual SLA GYR State falls in the “Yellow” or “Red” state. The amount of the performance credit for each SLA will be based on the Individual SLA GYR State. Further, the amounts of the performance credits will, in certain cases, increase where they are imposed in consecutive months. No SL performance credit will be payable for the Contractor’s failure to meet a Service Level Objective.

Set forth below is a table summarizing the monthly Performance Credits for each SLA. All amounts set forth below that are contained in a row pertaining to the “Yellow” or “Red” GYR State, represent Performance Credit amounts.

Consecutive Months Credit Table (SLA Performance Credits)												
Individual SL GYR State	1 st Month	2 nd Month	3 rd Month	4 th Month	5 th Month	6 th Month	7 th Month	8 th Month	9 th Month	10 th Month	11 th Month	12 th Month
Red	A =1.71% of MPC	A + 50% of A	A + 100% of A	A + 150% of A	A + 200% of A	A + 250% of A	A + 300% of A	A + 350% of A	A + 400% of A	A + 450% of A	A + 500% of A	A + 550% of A
Yellow	B = 0.855% of MPC	B + 50% of B	B + 100% of B	B + 150% of B	B + 200% of B	B + 250% of B	B + 300% of B	B + 350% of B	B + 400% of B	B + 450% of B	B + 500% of B	B + 550% of B
Green	None	None	None									

The Contractor agrees that in each month of the Contract, up to 12% of the monthly project charges (MPC) associated with the Project services will be at risk. MPCs are the charges for the deliverables accepted during a given month. The MPC for the Planning and Budget Management System implementation will be at risk for failure to meet the Service Levels set forth in the Contract. The Contractor will not be required to provide performance credits for multiple performance specifications for the same event; the highest performance credit available to the State for that particular event will apply.

On a quarterly basis, there will be a “true-up” at which time the total amount of the performance credits will be calculated (the “Net Amount”), and such Net Amount will be off set against any fees owed by the State to the Contractor, unless the State requests a payment in cash.

Moreover, in the event of consecutive failures to meet the Service Levels, the Contractor will be required to pay the State the maximum performance credit under the terms of the Contract.

The Contractor will not be liable for any failed Service Level caused by circumstances beyond its control, and that could not be avoided or mitigated through the exercise of prudence and ordinary care, provided that the Contractor immediately notifies the State in writing and takes all steps necessary to minimize the effect of such circumstances and resumes its performance of the Services in accordance with the SLAs as soon as possible.

For example, if an Individual SL GYR State is Yellow in the first measurement period, Red in the second measurement period and back to Yellow in the third measurement period for an SLA then the performance credit due to the State will be the sum of Yellow month 1 (B) for the first measurement period, Red month 2 (A + 50% of A) for the second measurement period, and Yellow month 3 (B + 100% of B) for the third measurement period, provided (1) such performance credit does not exceed 12% of the MPC (the At-Risk Amount); and, (2) no single Service Level credit will exceed 20% of the total At-Risk Amount, as stated below:

Service Level Performance Credit payable to the State =
 (B) + (A + 50% A) + (B + 100% B), based on an illustrative MPC of \$290,000;

SLA Calculation EXAMPLE						
Monthly Project Charge (MPC) = \$290,000.00						
Monthly At Risk Amount = 12% of MPC = \$34,800						
Maximum for any one SLA = 20% of At Risk Amount = \$6,960						
GYR State	1 st Month		2 nd Month		3 rd Month	
Red	0	\$	0	\$ 7,438.50	0	
Yellow	1	\$ 2,479.50	1		1	\$ 4,959.00
Green	6	\$	6		6	
Totals	7	\$ 2,479.50	7	\$ 7,438.50	7	\$ 4,959.00
Adjusted Totals by At Risk Amount and 20% per individual SLA Limitations	(Is monthly total of all Service Level Credits equal to or less than \$34,800?) – Yes (Is monthly amount for any one Service Level Credit equal to or less than \$ 6,960?) - Yes \$ 2,479.50		(Is monthly total of all Service Level Credits equal to or less than \$34,800?) – Yes (Is monthly amount for any one Service Level Credit equal to or less than \$ 6,960?) - No \$ 6,960.00		(Is monthly total of all Service Level Credits equal to or less than \$34,800?) – Yes (Is monthly amount for any one Service Level Credit equal to or less than \$ 6,960?) - Yes \$ 4,959.00	
Total Quarterly Credit:	\$ 2,479.50		\$ 6,960.00		\$ 4,959.00	
Total Quarterly Credit:	\$ 14,398.50					

The total of any weighting factors may not exceed 100% of the total At-Risk Amount.

To further clarify, the performance credits available to the State will not constitute the State's exclusive remedy to resolving issues related to the Contractor's performance.

Service Levels will commence with Project initiation.

Overall Contract Performance. In addition to the service specific performance credits on a monthly basis, an overall SL score (the "Overall SL Score") will be determined by assigning points to each SL based on its Individual SL GYR State. The matrix set forth below describes the methodology for computing the Overall SL Score:

Individual SLAs GYR State	Performance Multiple
Green	0
Yellow	1
Red	4

The Overall SL Score is calculated by multiplying the number of SLAs in each GYR State by the performance multiples in the table. For example, if all SLAs are Green except for two SLAs in a Red GYR State, the Overall SL Score would be the equivalent of 8 (4 x 2 Red SLAs).

Based on the Overall SL Score thresholds value exceeding a threshold of 15, the State may escalate the issues to the Contractor's appropriate executive staff to restore acceptable Service Levels. If a successful resolution is not reached, then the State may terminate the Contract **for cause** if:

- a) The Overall SL Score reaches a threshold level of 30 per month over a period of 3 consecutive months (equivalent of 50% of the service levels in a red state);
- b) The Contractor fails to cure the affected SLs within 60 calendar days of receipt of the State's written notice of intent to terminate; and
- c) The State exercises its right to terminate for exceeding the threshold level of 120 per month.

The overall Contract performance will not constitute the State's exclusive remedy to resolving issues related to the Contractor's performance. The State retains the right to terminate for overall Contract performance under the terms of this Contract.

Monthly Service Level Report. On a State accounting monthly basis, the Contractor must provide a written report (the “Monthly Service Level Report”) to the State which includes the following information:

- The Contractor’s quantitative performance for each Service Level;
- Each Individual SL GYR State and the Overall SL Score;
- The amount of any monthly performance credit for each Service Level;
- The year-to-date total performance credit balance for each Service Level and all the Service Levels;
- A “Root-Cause Analysis” and corrective action plan with respect to any Service Levels where the Individual SL GYR State was not “Green” during the preceding month; and
- Trend or statistical analysis with respect to each Service Level as requested by the State.

The Monthly Service Level Report will be due no later than the tenth (10th) accounting day of the following month.

Service Level Review and Continual Improvement

Service Level Review. Initial Review: Within three months of Project initiation, the State and the Contractor will meet to review the Service Levels and the Contractor’s performance and to discuss possible modifications to the Service Levels. Any changes to the Service Levels will be only as agreed upon in writing.

Ongoing Review: On an ongoing basis, the State and the Contractor will meet to review the Service Levels and the Contractor’s performance on a mutually agreed to frequency.

Service Level Commitments. The Contractor will meet the Service Level commitment for each Service Level set forth in the charts below:

Service Level	State Requirements			
	SLA	Support Hours	Required	
			Response	Resolution
Defect Resolution – Mean Time to Repair/Resolve (Critical Items)	SLA	7x24	Every 4 hours until resolution	<= 24 hours
Defect resolution – Mean Time to Repair/Resolve (Urgent Items)	SLA	7x16	Every 8 hours until resolution	<=72 hours
Milestone Date Delivery	SLA	-	See specification below	-
Deliverable Acceptance	SLA	-	See specification below	-
On-site Contractor Coverage during Critical Deployment Events	SLA	-	See specification below	-

The Contractor must meet the Service Level commitment for each Service Level set forth in the detailed descriptions below:

1 Defect Resolution – Mean Time to Repair/Resolve (Critical Items)

Service Level Agreement

Specification: Defect resolution – mean time to repair/resolve (critical items)

Definition: Mean time to repair (critical items) will be calculated by determining a time (stated in hours and minutes) representing the arithmetic mean for all critical items for in-scope deliverables in the contract month. Time to repair is measured from time an Issue is entered into the project defect tracking system to the point in time when the defect is resolved or a workaround is in place and the Contractor submits the repair to the State for confirmation of resolution.

Critical items are the most severe outages or functional issues as defined in Attachment Nine, the Master Contract for Software Licensing, Part V, Paragraph 6.

This service level begins when a deliverable is initially migrated or otherwise first used in a production environment.

Formula:

$$\text{Mean time to repair (critical items)} = \frac{\text{Total elapsed time it takes to repair critical items}}{\text{Total critical items}}$$

Measurement Period: Accounting month

Data Source: Monthly project report, production logs, service desk ticket history

Frequency of Collection: Per incident

Service Level Measures

Individual SL GYR State	Incident Resolution – Mean Time to Repair (Critical Items).
Green	<=24 hours
Yellow	>24 hours and <=48 hours
Red	>48 hours

2 Defect Resolution – Mean Time to Repair/Resolve (Urgent Items)

Service Level Agreement

Specification: Defect resolution – mean time to repair/resolve (Urgent items)

Definition: Mean time to repair (urgent items) will be calculated by determining a time (stated in hours and minutes) representing the arithmetic means for all urgent items for in-scope deliverables in the contract month. Time to repair is measured from time an Issue is entered into the project defect tracking system to the point in time when the defect is resolved or workaround is in place and the Contractor submits the repair to the State for confirmation of resolution.

Urgent items are the significant system problems of intermediate severity as defined in Attachment Nine, the Master Contract for Software Licensing, Part V, Paragraph 6.

This service level begins when a deliverable is initially migrated or otherwise first used in a production environment.

Formula:

$$\text{Mean time to repair (urgent items)} = \frac{\text{Total elapsed time it takes to repair urgent items}}{\text{Total urgent items}}$$

Measurement Period: Monthly during project

Data Source: Monthly project report, production logs, service desk ticket history

Frequency of Collection: Per incident

Service Level Measures

Individual SL GYR State	Incident Resolution – Mean Time to Repair (Urgent Items).
Green	≤72 hours
Yellow	>72 hours and ≤90 hours
Red	>90 hours

3 Milestone Date Delivery

Service Level Agreement

Specification: % Compliance with milestone dates

Definition: The milestone date delivery SLA measures the percentage of committed and accepted Project milestones that are achieved on time as per the Project plans.

The State and the Contractor will jointly develop and agree to a general Project plan at the commencement of the Project. Subsequent joint revisions reflecting later project phases will define milestones, activities and deliverables with greater specificity. Due to the overlapping nature of phases, tasks and activities, a measurement period of one calendar month will be established to serve as the basis for the measurement window. The Contractor will count all milestones, activities and deliverables to be completed during that measurement window and their corresponding committed delivery dates. Any date variances will be recorded upon the State's acceptance of the deliverable and used in the calculation of this service level.

This service level will commence upon Project initiation and will prevail until Project completion.

Formula:
$$\% \text{ Compliance, milestone dates} = \frac{\text{Total milestones in period} - \text{Total milestones missed}}{\text{Total milestones in period}}$$

Measurement Period: Monthly, during project

Data Source: Weekly project report, project plan and timeline

Frequency of Collection: Weekly

Service Level Measures

Individual SL GYR State	% Compliance with Milestone Dates
Green	> 90%
Yellow	>85%, <=90%
Red	<=85%

4 Deliverable Acceptance

Service Level Agreement

Specification: % Deliverable acceptance

Definition: The State's ability to accept Contractor deliverables based on submitted quality and in keeping with initially defined standards and content for Contractor deliverables.

The Contractor must provide deliverables to the State in keeping with agreed levels of completeness, content quality, content topic coverage and otherwise achieve the agreed purpose of the deliverable between the State and the Contractor.

Notwithstanding the State review and approval cycles, this service level will commence upon the delivery of a final deliverable for acceptance to the State, and any work/re-work to the final deliverable as a result of any State questions, required clarifications/amplifications, and conclude upon due completion of the required amendments.

This service level will commence upon Project initiation and will prevail until Project completion.

Formula:

$$\% \text{ Deliverable acceptance} = \frac{\# \text{ Deliverables accepted during period}}{\# \text{ Deliverables presented during period}}$$

Measurement Period: Monthly, during project

Data Source:

Frequency of Collection: Ongoing

Service Level Measures

Individual SL GYR State	% Deliverable Acceptance
Green	>85%
Yellow	>80%, <=85%
Red	<=80%

5 On-site Contractor Coverage during Critical Deployment Events

Service Level Agreement

Specification: % Contractor on-site coverage during critical deployment events

Definition: This measure is the percentage of critical deployment events where a qualified Contractor technical support representative is on-premises at the State's primary location. A critical deployment event is defined as when (a) New end-user pages are initially released for production utilization, whether internal to the State, for the general public, or both, (b) Any other new functionality related to payments, collections, claim awards, claim adjudication, billing, document acceptance, or document distribution is migrated into production, (c) New system-to-system interfaces are implemented in production, (d) Core system elements are added, updated, patched, or replaced in production, or (e) The State deploys new or updated server hardware, operating systems, or virtualization environments upon which the production system depends.

A qualified technical support representative is an employee of the Contractor or subcontractor who possesses in-depth knowledge of any system components to be deployed and the capability to identify, diagnose, and resolve most foreseeable software and configuration problems. The primary location will be considered the site of the data center where the system operates, unless the State provides the Contractor with advance notice of an alternative support location.

On-site is defined as being physically present at the primary location and checked-in with the State's support team prior to the time when the critical events are scheduled and remaining at the primary location for a minimum of two hours following the completion of the event.

Any month where there are no scheduled critical deployments will be considered green for the purpose of compliance.

Formula:

$$\% \text{ Coverage} = \frac{\# \text{ Critical deployments during period where a qualified contractor technical support representative is on-site}}{\# \text{ Total critical deployments during period}}$$

Measurement Period: Monthly, during project

Data Source: Support logs or Contractor Sign-in Sheets as agreed

Frequency of Collection: Ongoing

Service Level Measures

Individual SL GYR State	% of critical deployment where a qualified contractor technical representative is on-site
Green	100%
Yellow	>90%, <100%
Red	<90%

STATE ROLES AND RESPONSIBILITIES

The following State personnel will be available during the Project.

State Project Manager

Provides project management oversight of the Planning and Budget Management System Project ensuring implementation is completed as designed and in accordance with approved work plan. The State Project Manager will be the single point of contact for Project related matters.

State Technical Lead

Provides guidance to ensure the solution meets any applicable the State and State IT infrastructure requirements by following the State and State policies standards and procedures. Leads the State architects and works with Contractor's Technical Lead on design and implementation plans for solution technical architecture.

Core Subject Matter Experts (SMEs)

Participates in implementation related tasks (e.g., requirements review, design sessions, configuration, UAT, etc.).

CONTRACTOR ROLES AND RESPONSIBILITIES

The following Contractor roles and responsibilities are critical to the success of the Project. All Contractor roles are expected to work with their State counterparts. At a minimum, the Contractor's staffing plan must include names for the following key Project personnel.

Project Manager

Role: The Contractor Project Manager (PM) must provide project management oversight through acceptance of the Planning and Budget Management System solution.

Responsibilities:

- Creates and Manages the Project Plan and Schedule
- Manages the Contractor Project Team Members
- Liaison between State and Contractor Resources
- Initiates Quality Assurance Processes to monitor the Project
- Manages issues and risks
- Point of escalation for Project issues
- Manages the deliverable acceptance process

Qualifications:

- Experience as the Project Manager on COTS software implementation projects of similar size and scope within the past 3 years
- Project Management Institute Project Management Professional certified

Functional Lead(s)

Role: The Functional Lead(s) must provide business process and subject matter expertise for the proposed COTS software module implementation. Offerors may propose a single Functional Lead for multiple business areas or modules.

Responsibilities:

Lead all design, configuration, workflow, security design, development and testing.

Qualifications:

- Experience as the Functional Lead on implementation projects of similar size and scope where the module is currently in production
- Experience conducting design sessions for COTS software implementation

- Experience on an implementation project where the Planning and Budget Management Systems were integrated
- Hands-on experience with the proposed Planning and Budget Management System COTS software

Technical Lead

Role: The Technical Lead must provide technical subject matter expertise for the proposed COTS software implementation.

Responsibilities:

- Lead the technical team in designing the technical architecture to support the COTS software
- Lead the technical team in tasks for inbound and outbound interfaces, reports, conversions (if applicable), extension, enhancements and testing
- Lead the installation and administrative configuration of the COTS software
- End-to-end technical implementation, coherency of the implemented modules within the broader context of the proposed COTS software
- Center point of communication for all technical matters concerning the application

Qualifications:

- Experience as the Technical Lead on the proposed COTS software implementation projects of similar size and scope where the application is currently in production

Training Lead

Role: The Training Lead must provide training and subject matter expertise for the proposed COTS software implementation.

Responsibilities:

- Work with the OBM Training Department in the creation of the training plan and schedule
- Lead the development of training materials, using a Contractor-based team
- Lead the training events for the project
- Attend initial User classes in person, to act as a Subject Matter expert and to resolve issues

Qualifications:

- Experience as the Training Lead on the proposed COTS software implementation projects of similar size and scope where the application is currently in production
- The lead and their Contractor-based team must have 3-5 years experience in training development, with a demonstrable knowledge of adult learning theory, instructional design technique, and delivery methodology

Project Hours and Conditions. The State facility operating hours are from 7:00 a.m. to 6:00 p.m. Monday through Friday except for State holidays with core working hours from 9:00 a.m. to 4:00 p.m.

Project Location. The State will provide Contractor work space at a State facility located in Columbus, OH for the duration of the Project. All work with the State staff or completion by the State staff will be done at this location. The State will provide limited Internet connection and printer access for Contractor supplied laptops. Desktop PCs and laptops will be provided for access to the State's network, as needed.

PART TWO: SPECIAL PROVISIONS

Software Licenses. The Contractor must provide or arrange for perpetual software licenses for all Commercial Software necessary to meet the requirements of this RFP. For the Key Commercial Software, the State requires an Enterprise License. For all other Commercial Software, the State requires a license that provides adequate usage rights to meet the State's current need, as identified elsewhere in this RFP and as disclosed in the offeror's Cost Summary. An Enterprise License means all the State employees with a need to access and use the software may do so. It also means all third parties involved in related activities, such as the State's contractors, suppliers, third party administrators, managed care organizations, and employers covered by the State's programs, have access to the extent that such access supports the State's governmental and business functions. An Enterprise License also gives the State the right to copy the Key Commercial Software and run and use multiple instances of it, for the above purposes, if reasonably necessary to facilitate the authorized use of it, provided the State owns or controls the computers on which the Key Commercial Software is installed. The State may also copy the software for use on computers owned and controlled by third parties, if the purpose of doing so is to facilitate disaster recovery, emergency needs, including testing and training for such purposes, and to permit a third party to host the Key Commercial Software on behalf of the State in an outsourcing arrangement. This Enterprise License also gives the State the right to provide the authorized individuals described above access to the Key Commercial Software remotely through a browser or client software and an Internet or similar connection for all uses and purposes identified above.

Submittal of Deliverables. The Contractor must perform its tasks in a timely and professional manner that produces Deliverables that fully meet the Contract's requirements. The Contractor must complete its work in steps that will result in Deliverables associated with those steps, and the Contractor must provide the required Deliverables no later than the due dates proposed in the RFP or included in the Contractor's Project Plan as approved by the State. At the time of delivery of a written Deliverable, the Contractor must submit an original and one copy of each Deliverable, plus an electronic copy. The Contractor must provide the electronic copy in a file format acceptable to the State. Also, with each Deliverable, the Contractor must submit a Deliverable Submittal Form signed by the Project Manager. (See Attachment Six of the RFP.)

By submitting a Deliverable, the Contractor represents that it has performed the associated tasks in a manner that meets the Contract's requirements.

The Contractor must provide all Deliverables to the State Project Manager, who will review (or delegate review of) the materials or documents within a reasonable time after receipt, as specified in the Project Plan.

If the State determines a Deliverable is not in compliance, the State Project Manager will note the reason for non-compliance on the Deliverable Submittal Form and send the form to the Project Manager. At no expense to the State, the Contractor then must bring the Deliverable into conformance and re-submit it to the State Project Manager within ten business days.

If the State agrees the Deliverable is compliant, the State Project Manager will indicate that by signing the Deliverable Submittal Form and returning a copy of it to the Contractor. In addition, if the State Project Manager or designee determines the State should make a payment associated with the Deliverable, the State Project Manager will indicate the payment should be made on the Deliverable Submittal Form.

The State form authorizing payment (Attachment Six) and the payment itself do not indicate the State has accepted the Deliverables or the Project associated with the payment. The State's acceptance of the Deliverables that are part of developing the Project is conditioned on a successful performance test upon completion of the Project.

If upon completion the Project fails to meet the performance requirements defined in Attachment Two, or fails the Performance test defined in Attachment Four, Standards of Performance and Acceptance, the State may determine the Contractor to be in default and may seek additional remedies at law. In any event, the State may exercise all of the following rights:

- 1) The State will not make payments associated with the post implementation support task;

- 2) The Contractor must reimburse the State ten percent (10%) of the total dollar amount paid under this Contract;
- 3) The Contract will be terminated.

Status reports are not subject to a review and approval process.

The Contractor's Fee Structure. The Contract award will be a not-to-exceed fixed price for the specified COTS Software and Support Fees, and Work required to complete the Tasks and Deliverables.

Payment under this Contract will be made as follows.

COTS Software and Support Fees – The State will pay for any COTS Software it acquires as part of this Contract only on the State's execution of a schedule or other ordering document, delivery of the software freight on board (F.O.B.) destination at the Project site, acceptance of the COTS Software in accordance with the applicable schedule or other ordering document, and receipt of a proper invoice for the COTS Software. Annual support fees, if applicable, will be paid in accordance with the applicable agreement covering the COTS Software. As part of the offeror's Proposal, the offeror may be obligated to obtain price commitments from key software providers to permit licensing of COTS Software at a committed price on an as-needed basis during the Contract period. This will permit the State to acquire licenses to meet the Project's schedule and to avoid acquiring licenses before they are needed.

If support fees are required beyond the seven years of support fees provided in the Cost Summary, then the Contractor agrees to provide quotes for additional annual support fees according to the provisions within the software license agreement(s).

Tasks and Deliverables – The State will pay for the Work required to complete the Tasks and Deliverables based on the completion and acceptance of Deliverable(s) associated with designated payment milestone(s). The payment amount for a payment milestone is determined by multiplying the payment percentage by the Total Not to Exceed Fixed Price for the Planning and Budget Management System Solution Implementation. If the offeror proposes an iterative and incremental method to implementing the system, the State will pay each set of deliverables for that iteration by dividing the total cost of the task by the number of iterations. For example, if there are two iterations of a task, the contractor will be paid 50% of the total cost for that task once each iteration is complete.

Deliverable	Payment Milestone/Deliverable	Payment
Software	Planning and Budget Management System COTS Software	Full License Fee
Support	COTS Software Support	According to License Agreement
Planning and Budget Management System Solution Implementation		
Deliverable #	Payment Milestone/Deliverable	Payment
Task 1 – Project Management		
1.	Kickoff Meeting Presentation	
2.	Updated Project Plan	
3.	Project Strategy Approach	
4.	Communication Approach	
5.	Knowledge Transfer Approach	
6.	Issue and Risk Management Approach	
7.	Configuration Management Plan	
8.	Change Request Review and Approval Process	
9.	Weekly Status Reports	
10.	Production Acceptance Criteria (PAC) Checklist	
Task 2 – Detailed Business and Technical Requirements Review and Validation		
11.	Updated Business Requirements	10%

12.	Updated Technical Requirements	
13.	Identification of any requirements that cannot be fulfilled via Contractor core software, configurations, extensions, interfaces or reports	
14.	Design assumptions to accommodate an agreed list of business or technical requirements	
15.	Proposed alternate approaches to achieving the business requirements based on completion of this Review and Validation Task	
16.	Completed Production Acceptance Criteria (PAC) checklist for this phase of the project	
Task 3 – Design		
17.	Design Session Documentation	20%
18.	Updated Business Requirements	
19.	Functional Requirements Inventory	
20.	Technical Requirements Inventory	
21.	Functional Design	
22.	Technical Design	
23.	System Integration Plan	
24.	Completed Production Acceptance Criteria (PAC) checklist for this phase of the project	
Task 4 – Implementation/Build		
25.	Component Build and Unit Testing Completion Letter and Results	15%
26.	Solutions Documentation	
27.	Operations Documentation	
28.	Disaster Recovery Documentation	
29.	Completed Production Acceptance Criteria (PAC) checklist for this phase of the project	
Task 5 – Testing/Quality Assurance		
30.	System Integration and Performance Test Plan	25%
31.	System Integration and Performance Test Scenarios, Scripts and Cases	
32.	System Integration Test Execution Report and Completion Letter	
33.	Performance Test Execution Report and Completion Letter	
34.	UAT Plan	
35.	UAT Scenarios, Scripts and Cases	
36.	UAT Execution Report and Completion Letter	
37.	Go-Live/Cutover Test Plan	
38.	Completed Production Acceptance Criteria (PAC) checklist for this phase of the project	
Task 6 – Training		
39.	Training Plan	10%
40.	Training Curriculum	
41.	Training Materials	
42.	Letter certifying completion of Training Delivery	
43.	Completed Production Acceptance Criteria (PAC) checklist for this phase of the project	
Task 7 – Deployment Readiness/Production Release and Post Implementation Support		
44.	Deployment Plan	15%
45.	Completed Production Acceptance Criteria (PAC) checklist	
46.	Post Implementation Support Signoff Document	
47.	Project Close Out	

Upon receipt of a signed Deliverable Submittal Form (Attachment Six) indicating the State agrees that the Deliverable identified in the work breakdown structure is compliant or that the Contractor has met an applicable milestone and payment should be made, the Contractor may submit an invoice for that Deliverable or milestone, according to the approved payment schedule.

Reimbursable Expenses. None.

Bill to Address. Office of Budget and Management
Fiscal Office
30 E. Broad St., 34th Floor
Columbus, Ohio 43215

Location of Data and Services. All State data must be maintained onsite at a State facility or a State contracted facility within Ohio. Subject to Executive Order 2011-12K, all services must be performed within the United States.

ATTACHMENT THREE: REQUIREMENTS FOR PROPOSALS

Proposal Format. Each Proposal must include sufficient data to allow the State to verify the total cost for the Project and all of the offeror's claims of meeting the RFP's requirements. Each Proposal must respond to every request for information in this attachment, whether the request requires a simple "yes" or "no" or requires a detailed explanation. Simply repeating the RFP's requirement and agreeing to comply may be an unacceptable response and may cause the Proposal to be rejected.

These instructions describe the required format for a responsive Proposal. The offeror may include any additional information it believes is relevant. An identifiable tab sheet must precede each section of a Proposal, and each Proposal must follow the format outlined below. All pages, except pre-printed technical inserts, must be sequentially numbered. Any material deviation from the format outlined below may result in a rejection of the non-conforming Proposal.

Each Proposal must contain the following **tabbed sections**:

Technical Proposal

- Vendor Information Form (OBM-5657)
- Subcontractor Letters
- Offeror Certification Form
- Offeror Description
- Profile Summary Forms
- Proposed System Solution
 - Requirements Response – Supplement Two
- Offered Options
- Staffing Plan
 - Time Commitment
- Assumptions
- Project Strategy
- Project Plan
- Work Plan
- Support Requirements
- Pre-Existing Materials
- Commercial Materials
- Changes to Attachment Nine
- Support Base
- Terms for Commercial Materials
- Bond Commitment
- Conflict of Interest Statement
- Proof of Insurance
- Payment Address
- Legal Notice Address
- W-9 Form
- Standard Affirmation and Disclosure Form (EO 2011-12K)
- Affirmative Action

Cost Proposal (separate sealed package)

- Cost Summary

Vendor Information Form. The offeror must submit a signed and completed Vendor Information Form (OBM-5657) for itself and for each subcontractor the offeror plans to use under the Contract. The form is available at <http://obm.ohio.gov/MiscPages/Forms/default.aspx>.

Subcontractor Letters. For each proposed subcontractor, the offeror must attach a letter from the subcontractor, signed by someone authorized to legally bind the subcontractor, with the following included in the letter:

1. The subcontractor's legal status, federal tax identification number, D-U-N-S number, and principal place of business address;
2. The name, phone number, fax number, email address, and mailing address of a person who is authorized to legally bind the subcontractor to contractual obligations;
3. A description of the work the subcontractor will do;
4. A commitment to do the work if the offeror is selected; and
5. A statement that the subcontractor has read and understood the RFP and will comply with the requirements of the RFP.

Offeror Certifications. The offeror must complete Attachment Seven, Offeror Certification Form.

Offeror Description. Each Proposal must include a description of the offeror's capability, capacity, and experience in the industry. The description should include the date the offeror was established, its leadership, number of employees, number of employees the offeror will engage in tasks directly related to the Project, and any other background information that will help the State gauge the ability of the offeror to fulfill the obligations of the Contract. Offerors must provide the name, phone number, fax number, email address, and mailing address of a contact person who has authority to answer questions regarding the Proposal. Additionally, provide a list of Ohio-based customers using the proposed COTS solution, if available.

Offeror Profile Summary Form. This RFP includes an Offeror Profile Summary Form as an attachment. The offeror must use this form and fill it out completely to provide the required information.

The Offeror Profile Summary Form contained in this document has been customized for the applicable offeror requirements. (Refer to Attachment Eight.) Each page of the form may contain minor variations. If an offeror elects to duplicate the form electronically, the offeror must carefully review each page of the form to ensure that it has been copied accurately. Failure to duplicate the form exactly may lead to the rejection of the offeror's Proposal.

Each offeror must meet all the mandatory requirements in the RFP. If an offeror does not meet all the mandatory requirements, the State may reject the offeror's Proposal as non-responsive.

The various sections of the Offeror Profile Summary Forms are described below:

- a) **Mandatory Experience and Qualifications.** The offeror must complete this section to demonstrate that it has the experience needed to meet the RFP's mandatory requirements. (Refer to Attachment Eight.) For each reference, the offeror must provide the following information:
 - Contact Information. The offeror must provide a client contact name, title, phone number, email address, company name, and mailing address. The offeror also must include the same information for an alternate client contact, in case the State cannot reach the primary contact. Failure to provide this information or providing information that is inaccurate or out of date may result in the State not including the reference in the evaluation process or rejecting the offeror's Proposal. The contact information given must be for a person within the client's organization and not a co-worker or a contact within the offeror's organization, subsidiaries, partnerships, etc.
 - Project Name. The offeror must provide the name of the project where it obtained the mandatory experience.

- Dates of Experience. The offeror must complete this area with a beginning month and year and an ending month and year to show the length of time the offeror performed the work, not just the length of time the offeror was engaged by the reference.
- Description of the Related Service Provided. The State will not assume that, since the experience requirement is provided at the top of the page, all descriptions on that page relate to that requirement. The offeror must reiterate the experience being described, including the capacity in which the work was performed and the role of the offeror on the Project. It is the offeror's responsibility to customize the description to clearly substantiate the qualification.
- Description of how the related service shows the offeror's experience, capability, and capacity to develop the Deliverables and to achieve this Project's milestones.

The offeror must list each project experience separately and completely every time it is referenced, regardless of whether it is on the same or different pages of the form.

THE OFFEROR MAY NOT USE THE EXPERIENCE OR QUALIFICATIONS OF A SUBCONTRACTOR TO MEET ANY OF THE ABOVE MANDATORY QUALIFICATIONS OR EXPERIENCE. THESE MUST BE FULFILLED EXCLUSIVELY THROUGH THE QUALIFICATIONS AND EXPERIENCE OF THE OFFEROR.

Proposed Solution. The offeror must describe in detail how its proposed solution meets the functional and technical requirements described in Supplement Two of this RFP. The offeror may not simply state that the proposed solution will meet or exceed the specified requirements. Instead, the offeror must provide a written narrative that shows that the offeror understands the functionality and the technical requirements of this RFP and how the offeror's proposed solution meets those requirements.

The software requirements must be met with the proposed COTS software.

Note: Supplement Two is being provided as a Microsoft Excel spreadsheet through the website for responding to the RFP. The Supplement format and content must not be modified. If the requirements are modified, reformatted or omitted, the offeror's response may be disqualified.

For each requirement the offeror must provide a narrative description of its solution. The offeror must also provide a summary of any COTS products that will be used to meet the requirements. For each requirement identified, the offeror must indicate how the functionality is delivered by checking one of the following boxes in Supplement Two:

Base Functionality: Requirement will be fully met with out-of-the-box functionality that can be presented for business use with minimal effort beyond turning a feature "on" or "off" (e.g., built in processes, reports or rules).

Configuration: Requirement will be met with functionality that can be presented for business use after modifications utilizing the software's configuration tools. This would include managing or creating new business rules or process flows via tools provided as part of the COTS package.

Custom Development: Requirement will be met with functionality that can be presented for business use only after a new module or plug-in is developed. Modules or plug-ins would be created in a programming or scripting language and leverage low level application infrastructure such as APIs, messaging, integration technologies or services to exchange data or execute logic within the COTS solution. This would also include any updates the software vendor would make to the core code as part of a future release or service pack.

Not Supported: Requirement will not be met as part of the proposed solution.

Complexity Rating

High = over 120 effort hours to configure or develop and unit test

Medium = 41 - 120 effort hours to configure or develop and unit test

Low = 40 or less effort hours to configure or develop and unit test

Offered Options. Offered options are not required or evaluated in this RFP but may be identified by the offeror and included in the Proposal. This is an opportunity for offerors to offer options the State may not have been aware of at the time the RFP was written. The offeror may provide information about additional functionality, software, etc. that the State may consider during the term of the Contract. The State makes no commitment to acquiring said Offered Options.

All options the State chooses to exercise for the Contract must be available to the State at the pricing offered in the offeror's proposal, if pricing is available. However, pricing may be negotiated at the State's sole option, with the selected Contractor.

Staffing Plan. The offeror must provide a staffing plan that identifies all the personnel by position that the offeror proposes and that are required to do the Project. The staffing plan must show each individual's responsibilities on the Project. The State also requires a staffing plan that matches the proposed Project key personnel and qualifications to the activities and tasks that will be completed on the Project. In addition, the plan must have the following information:

- A contingency plan that shows the ability to add more staff if needed to ensure meeting the Project's due date(s); and
- The number of people onsite at the State location at any given time to allow the State to plan for the appropriate workspace.
- A statement and a chart that clearly indicate the time commitment of the proposed Project Manager and the offeror's proposed team members including key Project personnel for this Project during each phase of the System Development Life Cycle. The offeror also must include a statement indicating to what extent, if any, the Project Manager may work on other projects during the term of the Contract. The State may reject any Proposal that commits the proposed Project Manager or any proposed key Project personnel to other projects during the term of the Project, if the State believes that any such commitment may be detrimental to the offeror's performance.

Assumptions. The offeror must list all the assumptions the offeror made in preparing the Proposal. If any assumption is unacceptable to the State, the State may reject the Proposal. No assumptions may be included regarding negotiation, terms and conditions, or requirements.

Project Strategy. The offeror must fully describe its project strategy including: the project scope and objectives, high-level implementation schedule, implementation approach and methodology, work products aligned to implementation schedule, staffing plan, assumptions, as well as approach to project management and reporting.

The offeror must specifically indicate in the Project Strategy if the offeror's solution must be implemented as a total solution using a "big bang approach" or if the individual core system functions can be implemented separately.

Project Plan. The State encourages responses that demonstrate a thorough understanding of the nature of the Project and what the Contractor must do to get the Project done properly. To this end, the offeror must submit a Project Plan that the offeror will use to create a consistent and coherent management plan for the Project. The Project Plan must include detail sufficient to give the State an understanding of how the offeror's knowledge and approach will:

- Manage the Project;
- Guide Project execution;
- Document planning assumptions and decisions;
- Facilitate communication among stakeholders;
- Define key management review as to content, scope, and schedule; and

- Provide a baseline for progress measurement and Project control.

At a minimum, the offeror's Project Plan must include the following:

- Description of the Project management approach;
- Scope statement that includes the Project objectives and the Project Deliverables and milestones;
- Work breakdown structure as a baseline scope document that includes Project elements. The work breakdown structure must show the elements at a level of detail that demonstrates the offeror's understanding of the effort required to do the work. The work breakdown structure also must have increasingly descending levels of detailed definition added as the Project continues. The Project elements must include, at a minimum, scope definition, requirements gathering, design, development, conversion, testing, benchmarking, implementation, training, and transition, as applicable;
- High Level Project schedule for all Project Deliverables and milestones;
- Who is assigned responsibility for each Deliverable within the work breakdown structure to the level at which control will be exercised;
- Performance measurement baselines for technical scope and schedule;
- Major milestones and target date(s) for each milestone that are consistent with this RFP's dates;
- Key or required staff and their expected effort;
- High-level subsidiary Project management plans:
 - Integration management,
 - Scope management,
 - Schedule management,
 - Cost management,
 - Quality management,
 - Staffing management,
 - Communications management, and
 - Risk management (including constraints and assumptions, planned responses and contingencies);
- Description of the offeror's proposed organization(s) and management structure responsible for fulfilling the Contract's requirements;
- Definition of the review processes for each milestone and Deliverable (e.g. mandatory design review) and a description of how the parties will conduct communication and status review;
- Description of the Project issue resolution process; and
- If the offeror chooses to use subcontractors, this part of the offeror's Proposal must describe its approach to managing its subcontractors effectively.

Work Plan. The offeror must fully describe its approach, methods, and specific work steps for doing the work on this Project and producing the Deliverables. The State seeks insightful responses that describe proven, state-of-the-art methods. Recommended solutions must demonstrate that the offeror will be prepared to quickly undertake and successfully complete the required tasks. The Work Plan must include a detailed implementation approach to addressing and meeting RFP Milestone Dates.

The Work Plan must address each task and deliverable described in Attachment Two.

Support Requirements. The offeror must describe the support it wants from the State other than what the State has offered in this RFP. Specifically, the offeror must address the following:

- Nature and extent of State support required in terms of staff roles, percentage of time available, and so on;
- Assistance from State staff and the experience and qualification levels required; and
- Other support requirements.

The State may not be able or willing to provide the additional support the offeror lists in this part of its Proposal. The offeror therefore must indicate whether its request for additional support is a requirement for its

performance. If any part of the list is a requirement, the State may reject the offeror's Proposal, if the State is unwilling or unable to meet the requirements.

Pre-existing Materials. The offeror must list any Pre-existing Materials it owns that will be included in a Deliverable if the offeror wants a proprietary notice on copies that the State distributes. For example, the offeror may have standard user interfaces or standard shells that it incorporates in what is otherwise custom software. (See the Ownership of Deliverables section of the General Terms and Conditions.) The State may reject any Proposal that includes existing materials for a custom solution, if the State believes that such is not appropriate or desirable for the Project.

Commercial Materials. The offeror must list any commercial and proprietary materials that the offeror will deliver that are easily copied, such as Commercial Software, and in which the State will have less than full ownership ("Commercial Materials"). Generally, these will be from third parties and readily available in the open market. The offeror need not list patented parts of equipment, since they are not readily copied. If the offeror expects the State to sign a license for the Commercial Material, the offeror must include the license agreement as an attachment. But for Key Commercial Software, the offeror may not include a standard license agreement; rather, the offeror must comply with the next section's requirements regarding Attachment Nine. If the State finds any provisions of any proposed license agreement objectionable and cannot or does not negotiate an acceptable solution with the licensor, regardless of the reason and in the State's sole discretion, then the offeror's Proposal may be rejected. If the State is not going to sign a license, but there will be limits on the State's use of the Commercial Materials different from the standard license in the General Terms and Conditions, then the offeror must detail the unique scope of license here. Any deviation from the standard license, warranty, and other terms in Attachment Four also may result in a rejection of the offeror's Proposal.

Proposed Changes to Attachment Nine, Master Contract for Software Licensing. If the offeror seeks changes to Attachment Nine, the Master Contract, the offeror must identify those changes, with the precise alternative language the offeror seeks, and include the markup of the Master Contract as an attachment to its Proposal. Generalized objections to the Master Contract's terms and conditions are not acceptable. The State may reject any Proposal with extensive changes to the Master Contract or with changes that the State finds objectionable. Alternatively, the State may seek to negotiate over proposed changes to attempt to make them acceptable to the State. The State, in its sole and exclusive judgment, will determine whether any changes are acceptable and whether any negotiations make the proposed changes acceptable to the State.

Support Base

The offeror must provide the following information:

- Describe in detail support options for the system in terms of
 - Normal operation
 - Resolving production issues
 - Testing and implementing fixes
 - Implementing enhancements and upgrades
- Describe in detail support options available either from the bidder or third parties within a 25 mile radius of Columbus, Ohio
- Describe in detail the available hours for support, based on Eastern Time, including extended hours if available

Terms for Commercial Materials. If the offeror proposes a Deliverable that contains Commercial Software or other Commercial Materials with terms that differ from the terms in Attachment Four for Commercial Software and Materials, other than Key Commercial Software, which must be dealt with in accordance with the preceding section, then those terms must be detailed here, and any proposed separate agreement covering those items must be included in the offeror's Proposal. This is required even if the State will not be expected to sign the agreement. Any deviation from the standard terms in Attachment Four may result in a rejection of the offeror's Proposal.

Conflict of Interest Statement. Each Proposal must include a statement indicating whether the offeror or any people that may work on or benefit from the Project through the offeror have a possible conflict of interest (e.g.,

employed by the State of Ohio, etc.) and, if so, the nature of that conflict. The State may reject a Proposal in which an actual or apparent conflict is disclosed. The State also may terminate the Contract if it discovers any actual or apparent conflict of interest that the offeror did not disclose in its Proposal.

Proof of Insurance. The offeror must provide the certificate of insurance in the form that Attachment Four requires. The policy may be written on an occurrence or claims made basis.

Payment Address. The offeror must give the address to which the State should send payments under the Contract.

Legal Notice Address. The offeror must give the name, title, and address to which the State should send legal notices under the Contract.

W-9 Form. The offeror must complete a W-9 form in its entirety. The offeror must submit at least one originally signed W-9. All other copies of a Proposal may contain copies of the W-9. The offeror must indicate on the outside of the binder which Proposal contains the originally signed W-9. A current version of the Internal Revenue's W-9 form is available at <http://www.irs.gov/pub/irs-pdf/fw9.pdf>

Standard Affirmation and Disclosure Form (EO 2011-12K). The offeror must complete and sign the Affirmation and Disclosure Form as part of its Proposal. This form is available on the Procurement Web site under 'Help and Reference Material' or at the following link:
[http://procure.ohio.gov/pdf/EO201112K/EO201112K_02-Standard%20Affirmation%20and%20Disclosure%20Form%20-DAS%20v2%20\(082511\).pdf](http://procure.ohio.gov/pdf/EO201112K/EO201112K_02-Standard%20Affirmation%20and%20Disclosure%20Form%20-DAS%20v2%20(082511).pdf)

Affirmative Action. Before a contract can be awarded or renewed, an Affirmative Action Program Verification Form must be completed using:
<http://das.ohio.gov/Divisions/EqualOpportunity/AffirmativeActionProgramVerification/tabid/133/Default.aspx>.

Approved Affirmative Action Plans can be found by going to the Equal Opportunity Department's Web site:
<http://eodreporting.oit.ohio.gov/searchAffirmativeAction.aspx>.

Copies of the approved Affirmative Action plans must be supplied by the offeror as part of its proposal or inclusion of an attestation to the fact that the offeror has completed the process and is pending approval by the EOD office.

Cost Summary. This RFP includes a Cost Summary Form provided as Attachment Fourteen. Offerors may not reformat this form. Each offeror must complete the Cost Summary Form in the exact format provided, since the State may reject any Proposal with a reformatted Cost Summary Form or that is not separately sealed. (See: Part Three: General Instructions, Proposal Submittal.)

The Cost Summary Form must not include exceptions, additional terms and conditions, or assumptions.

The offeror's total cost for the entire Project must be represented as the not-to-exceed fixed price.

The State will not be liable for or pay any Project costs that the offeror does not identify in its Proposal.

ATTACHMENT FOUR: GENERAL TERMS AND CONDITIONS

PART ONE: PERFORMANCE AND PAYMENT

Statement of Work. The RFP and the Contractor's Proposal (collectively, the "RFP Documents") are a part of this Contract and describe the work (the "Project") the Contractor will do and any materials the Contractor will deliver (the "Deliverables") under this Contract. The Contractor must do the Project in a professional, timely, and efficient manner and will provide the Deliverables in a proper fashion. The Contractor also must furnish its own support staff necessary for the satisfactory performance of the Project.

The Contractor will consult with the appropriate State representatives and others necessary to ensure a thorough understanding of the Project and satisfactory performance. The State may give instructions to or make requests of the Contractor relating to the Project, and the Contractor will comply with those instructions and fulfill those requests in a timely and professional manner. Those instructions and requests will be for the sole purpose of ensuring satisfactory completion of the Project and will not amend or alter the scope of the Project.

Term. Unless this Contract is terminated or expires without renewal, it will remain in effect until the Project is completed to the satisfaction of the State, including all optional renewal periods for maintenance or continuing commitments, and the Contractor is paid. However, the current General Assembly cannot commit a future General Assembly to an expenditure. Therefore, this Contract will automatically expire at the end of each biennium, the first of which is June 30, 2013. The State may renew this Contract in the next biennium by issuing written notice to the Contractor of the decision to do so. This expiration and renewal procedure also will apply to the end of any subsequent biennium during which the Project continues, including any optional renewal periods. Termination or expiration of this Contract will not limit the Contractor's continuing obligations with respect to Deliverables that the State paid for before termination or limit the State's rights in such.

The State's funds are contingent upon the availability of lawful appropriations by the Ohio General Assembly. If the General Assembly fails to continue funding for the payments and other obligations due as part of this Contract, the State's obligations under this Contract will terminate as of the date that the funding expires without further obligation of the State.

The Project has a completion date that is identified in the RFP Documents. The RFP Documents also may have several dates for the delivery of Deliverables or reaching certain milestones in the Project. The Contractor must make those deliveries, meet those milestones, and complete the Project within the times the RFP Documents require. If the Contractor does not meet those dates, the Contractor will be in default, and the State may terminate this Contract under the termination provision contained below.

The State also may have certain obligations to meet. Those obligations, if any, are also listed in the RFP Documents. If the State agrees that the Contractor's failure to meet the delivery, milestone, or completion dates in the RFP Documents is due to the State's failure to meet its own obligations in a timely fashion, then the Contractor will not be in default, and the delivery, milestone, and completion dates affected by the State's failure to perform will be extended by the same amount of time as the State's delay. The Contractor may not rely on this provision unless the Contractor has in good faith exerted reasonable management skill to avoid an extension and has given the State meaningful written notice of the State's failure to meet its obligations within five business days of the Contractor's realization that the State's delay may impact the Project. The Contractor must deliver any such notice to both the State Project Manager and Procurement Representative and title the notice as a "Notice of State Delay." The notice must identify any delay in detail, as well as the impact the delay has or will have on the Project. Unless the State decides, in its sole and exclusive judgment, that an equitable adjustment in the Contractor's Fee is warranted in the case of an extended delay, an extension of the Contractor's time to perform will be the Contractor's exclusive remedy for the State's delay. Should the State determine that an equitable adjustment in the Contractor's Fee is warranted, the equitable adjustment will be handled as a Change Order under the Changes Section of this Contract, and the extension of time and equitable adjustment will be the exclusive remedies of the Contractor for the State's delay.

The State seeks a complete Project, and the Contractor must provide any incidental items omitted in the RFP Documents as part of the Contractor's not-to-exceed fixed price. The Contractor also must fully identify, describe, and document all systems that are delivered as a part of the Project. Unless expressly excluded elsewhere in the RFP, all hardware, software, supplies, and other required components (such as documentation, conversion, training, and maintenance) necessary for the Project to be complete and useful to the State are included in the Project and the not-to-exceed fixed price.

Compensation. In consideration of the Contractor's promises and satisfactory performance, the State will pay the Contractor the amount(s) identified in the RFP Documents (the "Fee"), plus any other expenses identified as reimbursable in the RFP Documents. In no event, however, will payments under this Contract exceed the "total not-to-exceed" amount in the RFP Documents without the prior written approval of the State and, when required, the Ohio Controlling Board and any other source of funding. The Contractor's right to the Fee is contingent on the complete and satisfactory performance of the Project or, in the case of milestone payments or periodic payments of an hourly, daily, weekly, monthly, or annual rate, all relevant parts of the Project tied to the applicable milestone or period. Payment of the Fee also is contingent on the Contractor delivering a proper invoice and any other documents the RFP Documents require. An invoice must comply with the State's then current policies regarding invoices and their submission. The State will notify the Contractor in writing within 15 business days after it receives a defective invoice of any defect and provide the information necessary to correct the defect.

The Contractor must send all invoices under this Contract to the "bill to" address in the RFP Documents or in the applicable purchase order.

The State will pay the Contractor interest on any late payment, as provided in Section 126.30 of the Ohio Revised Code (the "Revised Code"). If the State disputes a payment for anything covered by an invoice, within 15 business days after receipt of that invoice, the State will notify the Contractor, in writing, stating the grounds for the dispute. The State then may deduct the disputed amount from its payment as a nonexclusive remedy. If the Contractor has committed a material breach, in the sole opinion of the State, the State also may withhold payment otherwise due to the Contractor. Both parties will attempt to resolve any claims of material breach or payment disputes through discussions among the Project Manager, the Contractor's Project executive, the State Project Manager, and the State Contract Management Administrator. The State will consult with the Contractor as early as reasonably possible about the nature of the claim or dispute and the amount of payment affected. When the Contractor has resolved the matter to the State's satisfaction, the State will pay the disputed amount within 30 business days after the matter is resolved. The State has no obligation to make any disputed payments until the matter is resolved, and the Contractor must continue its performance under this Contract pending resolution of the dispute or claim.

If the State has already paid the Contractor on an invoice but later disputes the amount covered by the invoice, and if the Contractor fails to correct the problem within 30 calendar days after written notice, the Contractor must reimburse the State for that amount at the end of the 30 calendar days as a nonexclusive remedy for the State. On written request from the Contractor, the State will provide reasonable assistance in determining the nature of the problem by giving the Contractor reasonable access to the State's facilities and any information the State has regarding the problem.

If the RFP Documents provide for any retainage, the State will withhold from each invoice paid the percentage specified in the RFP Documents as retainage. The State will pay the retainage only after the State has accepted the Project, and then only in accordance with the payment schedule specified in the RFP Documents. The State will withhold all amounts under this section arising from claims or disputes in addition to any retainage specified in the RFP Documents.

The State may pay any part of the not-to-exceed fixed price identified in the RFP documents as being for a license in Commercial Material from a third party in accordance with the applicable license agreement, if the license agreement addresses payment. For all Key Commercial Software with a license agreement substantially in the form of Attachment Nine, payment of any license or support fees will be governed exclusively by that license agreement.

Reimbursable Expenses. The State will pay all reimbursable expenses identified in the RFP Documents, if any, in accordance with the terms in the RFP Documents and, where applicable, Section 126.31 of the Revised Code. The Contractor must assume all expenses that it incurs in the performance of this Contract that are not identified as reimbursable in the RFP Documents.

In making any reimbursable expenditure, the Contractor always must comply with the more restrictive of its own, then current internal policies for making such expenditures or the State's then current policies. All reimbursable travel will require the advance written approval of the State Project Manager. The Contractor must bill all reimbursable expenses monthly, and the State will reimburse the Contractor for them within 30 business days of receiving the Contractor's invoice.

Right of Offset. The State may set off the amount of any Ohio tax liability or other obligation of the Contractor or its subsidiaries to the State, including any amounts the Contractor owes to the State under this or other contracts, against any payments due from the State to the Contractor under this or any other contracts with the State.

Certification of Funds. None of the rights, duties, or obligations in this Contract will be binding on the State, and the Contractor will not begin its performance until all the following conditions have been met:

- (a) All statutory provisions under the Revised Code, including Section 126.07, have been met;
- (b) All necessary funds are made available by the appropriate State entities;
- (c) If required, the Controlling Board of Ohio approves this Contract; and
- (d) If the State is relying on federal or third-party funds for this Contract, the State gives the Contractor written notice that such funds are available.

Employment Taxes. All people furnished by the Contractor (the "Contractor Personnel") are employees or subcontractors of the Contractor, and none are or will be deemed employees or contractors of the State. No Contractor Personnel will be entitled to participate in, claim benefits under, or become an "eligible employee" for purposes of any employee benefit plan of the State by reason of any work done under this Contract. The Contractor will pay all federal, state, local, and other applicable payroll taxes and make the required contributions, withholdings, and deductions imposed or assessed under any provision of any law and measured by wages, salaries, or other remuneration paid by or which may be due from the Contractor to the Contractor Personnel. The Contractor will indemnify, defend (with the consent and approval of the Ohio Attorney General), and hold the State harmless from and against all claims, losses, liability, demands, fines, and expense (including court costs, defense costs, and redeemable attorney fees) arising out of or relating to such taxes, withholdings, deductions, and contributions with respect to the Contractor Personnel. The Contractor's indemnity and defense obligations also apply to any claim or assertion of tax liability made by or on behalf of any Contractor Personnel or governmental agency on the basis that any Contractor Personnel are employees or contractors of the State, that the State is the "joint employer" or "co-employer" of any Contractor Personnel, or that any Contractor Personnel are entitled to any employee benefit offered only to eligible regular fulltime or regular part-time employees of the State.

Sales, Use, Excise, and Property Taxes. The State is exempt from any sales, use, excise, and property tax. To the extent sales, use, excise, or any similar tax is imposed on the Contractor in connection with the Project, such will be the sole and exclusive responsibility of the Contractor. Further, the Contractor will pay such taxes, together with any interest and penalties not disputed with the appropriate taxing authority, whether they are imposed at the time the services are rendered or a later time.

PART TWO: PROJECT AND CONTRACT ADMINISTRATION

Related Contracts. The Contractor warrants that the Contractor has not and will not enter into any contracts without written approval of the State to perform substantially identical services for the State, such that the Project duplicates the work done or to be done under the other contracts.

Other Contractors. The State may hold other contracts for additional or related work, including among others independent verification and validation (IV&V) work for this Project. The Contractor must fully cooperate with all other contractors and State employees and coordinate its work with such other contractors and State employees as may be required for the smooth and efficient operation of all related or additional work. The Contractor may not act in any way that may unreasonably interfere with the work of any other contractors or the State's employees. Further, the Contractor must fully cooperate with any IV&V contractor assigned to this Project. Such cooperation includes expeditiously providing the IV&V contractor with full and complete access to all Project work product, records, materials, personnel, meetings, and correspondence as the IV&V contractor may request. Additionally, the Contractor must include the obligations of this provision in all its contracts with its subcontractors that work on this Project.

Subcontracting. The Contractor may not enter into subcontracts related to the Project after award without written approval from the State. Nevertheless, the Contractor will not need the State's written approval to subcontract for the purchase of commercial goods that are required for satisfactory completion of the Project. All subcontracts will be at the sole expense of the Contractor unless expressly stated otherwise in the RFP Documents.

The State's approval of the use of subcontractors does not mean that the State will pay for them. The Contractor will be solely responsible for payment of its subcontractor and any claims of subcontractors for any failure of the Contractor or any of its other subcontractors to meet the performance schedule or performance specifications for the Project in a timely and professional manner. The Contractor will hold the State harmless for and will indemnify the State against any such claims.

The Contractor assumes responsibility for all Deliverables whether it, a subcontractor, or third-party manufacturer produces them in whole or in part. Further, the Contractor will be the sole point of contact with regard to contractual matters, including payment of all charges resulting from the Contract. Further, the Contractor will be fully responsible for any default by a subcontractor, just as if the Contractor itself had defaulted.

If the Contractor uses any subcontractors, each subcontractor must have a written agreement with the Contractor. That written agreement must incorporate this Contract by reference. The agreement also must pass through to the subcontractor all provisions of this Contract that would be fully effective only if they bind both the subcontractor and the Contractor. Among such provisions are the limitations on the Contractor's remedies, the insurance requirements, record keeping obligations, and audit rights. Some sections of this Contract may limit the need to pass through their requirements to subcontracts to avoid placing cumbersome obligations on minor subcontractors. This exception is applicable only to sections that expressly provide an exclusion for small-dollar subcontracts. Should the Contractor fail to pass through any provisions of this Contract to one of its subcontractors and the failure damages the State in any way, the Contractor must indemnify the State for the damage.

Record Keeping. The Contractor must keep all financial records in accordance with generally accepted accounting principles consistently applied. The Contractor also must file documentation to support each action under this Contract in a manner allowing the documentation to be readily located. Additionally, the Contractor must keep all Project-related records and documents at its principal place of business or at its office where the work was performed.

Audits. During the term of this Contract and for three years after the payment of the Contractor's Fee, on reasonable notice, and during customary business hours, the State may audit the Contractor's records and other materials that relate to the Project. This audit right also applies to the State's duly authorized representatives and any person or organization providing financial support for the Project.

Insurance. The Contractor must provide the following insurance coverage at its own expense throughout the term of this Contract:

- (a) Workers' compensation insurance, as required by Ohio law, and, if some of the Project will be done outside Ohio, the laws of the appropriate state(s) where work on the Project will be done. The Contractor also must maintain employer's liability insurance with at least a \$1,000,000.00 limit.
- (b) Commercial General Liability insurance coverage for bodily injury, personal injury, wrongful death, and property damage. The defense cost must be outside of the policy limits. Such policy must designate the State of Ohio as an additional insured, as its interest may appear. The policy also must be endorsed to include a blanket waiver of subrogation. At a minimum, the limits of the insurance must be:

- \$ 2,000,000 General Aggregate
- \$ 2,000,000 Products/Completed Operations Aggregate
- \$ 1,000,000 Per Occurrence Limit
- \$ 1,000,000 Personal and Advertising Injury Limit
- \$ 100,000 Fire Legal Liability
- \$ 10,000 Medical Payments

The policy must be endorsed to provide the State with 30-days prior written notice of cancellation or material change to the policy. And the Contractor's Commercial General Liability must be primary over any other insurance coverage.

- (c) Commercial Automobile Liability insurance with a combined single limit of \$500,000.
- (d) Professional Liability insurance covering all staff with a minimum limit of \$1,000,000 per incident and \$3,000,000 aggregate. If the Contractor's policy is written on a "claims made" basis, the Contractor must provide the State with proof of continuous coverage at the time the policy is renewed. If for any reason the policy expires, or coverage is terminated, the Contractor must purchase and maintain "tail" coverage through the applicable statute of limitations.

The certificate(s) must be in a form that is reasonably satisfactory to the State as to the contents of the policies and the quality of the insurance carriers. All carriers must have at least an "A-" rating by A.M. Best.

Replacement Personnel. If the RFP Documents contain the names of specific people who will work on the Project, then the quality and professional credentials of those people were material factors in the State's decision to enter into this Contract. Therefore, the Contractor must use all commercially reasonable efforts to ensure the continued availability of those people. Also, the Contractor may not remove those people from the Project without the prior written consent of the State, except as provided below.

The Contractor may remove a person listed in the RFP Documents from the Project, if doing so is necessary for legal or disciplinary reasons. However, the Contractor must make a reasonable effort to give the State 30 calendar days' prior, written notice of the removal.

If the Contractor removes a person listed in the RFP Documents from the Project for any reason other than those specified above, the State may assess liquidated damages in the amount of \$1,500.00 for every day between the date on which the individual was removed and the date that this Contract is terminated or the individual's qualified replacement, selected in accordance with the process identified in this section, starts performing on the Project. The State also may provide the Contractor with written notice of its default under this section, which the Contractor must cure within 30 days. Should the Contractor fail to cure its default within the 30 day cure period, this Contract will terminate immediately for cause and the State will be entitled to damages in accordance with the Suspension and Termination Section of this Contract due to the termination. Should the

State assess liquidated damages or otherwise be entitled to damages under this provision, it may offset these damages from any Fees due under this Contract.

The Contractor must have qualified replacement people available to replace any people listed in the RFP Documents by name or identified as a key individual on the Project. When the removal of a listed person is permitted under this Section, or if a person becomes unavailable, the Contractor must submit the resumes for two replacement people to the State for each person removed or who otherwise becomes unavailable. The Contractor must submit the two resumes, along with such other information as the State may reasonably request, within five business days after the decision to remove a person is made or the unavailability of a listed person becomes known to the Contractor.

The State will select one of the two proposed replacements or will reject both of them within ten business days after the Contractor has submitted the proposed replacements to the State. The State may reject the proposed replacements for any legal reason. Should the State reject both replacement candidates due to their failure to meet the minimum qualifications identified in the RFP Documents, or should the Contractor fail to provide the notice required under this Section or fail to provide two qualified replacement candidates for each removed or unavailable person, the Contractor will be in default and the cure period for default specified elsewhere in this Contract will not apply. In any such case, the State will have the following options:

- (a) The State may assess liquidated damages in the amount of \$1,500.00 for every day between the date on which the Contractor failed to provide the applicable notice, failed to provide the two replacement candidates, or the date the State rejected all candidates for cause and the date on which the Contractor effects a cure or the Contract expires without renewal or is terminated.
- (b) The State may terminate this Contract immediately for cause and without any cure period.

Should the State exercise its option under item (a) above, it nevertheless will be entitled anytime thereafter to exercise its option under item (b) above. Additionally, should the State terminate this Contract under this provision, it will be entitled to damages in accordance with the Suspension and Termination Section of this Contract due to the termination. Should the State assess liquidated damages or otherwise be entitled to damages under this provision, it may offset these damages from any Fees due under this Contract.

The State may determine that the proposed replacement candidates meet the minimum qualifications of this Contract and still substantially reduce the value the State perceived it would receive through the effort of the original individual(s) the Contractor proposed and on whose credentials the State decided to enter into this Contract. Therefore, the State will have the right to reject any candidate that the State determines may provide it with diminished value.

Should the State reject both proposed candidates for any legal reason other than their failure to meet the minimum qualifications identified in the RFP Documents, the State may terminate this Contract for its convenience.

The State has an interest in providing a healthy and safe environment for its employees and guests at its facilities. The State also has an interest in ensuring that its operations are carried out in an efficient, professional, legal, and secure manner. Therefore, the State will have the right to require the Contractor to remove any individual involved in the Project, if the State determines that any such individual has or may interfere with the State's interests identified above. In such a case, the request for removal will be treated as a case in which an individual providing services under this Contract has become unavailable, and the Contractor must follow the procedures identified above for replacing unavailable people. This provision also applies to people that the Contractor's subcontractors engage, if they are listed by name or as a key person in the RFP Documents.

Suspension and Termination. The State may terminate this Contract if the Contractor defaults in meeting its obligations under this Contract and fails to cure its default within the time allowed by this Contract, or if a petition in bankruptcy (or similar proceeding) has been filed by or against the Contractor. The State also may terminate this Contract if the Contractor violates any law or regulation in doing the Project, or if it appears to the State that the Contractor's performance is substantially endangered through no fault of the State. In any such

case, the termination will be for cause, and the State's rights and remedies will be those identified below for termination for cause.

On written notice, the Contractor will have 30 calendar days to cure any breach of its obligations under this Contract, provided the breach is curable. If the Contractor fails to cure the breach within 30 calendar days after written notice, or if the breach is not one that is curable, the State will have the right to terminate this Contract immediately on notice to the Contractor. The State also may terminate this Contract in the case of breaches that are cured within 30 calendar days but are persistent. "Persistent" in this context means that the State has notified the Contractor in writing of the Contractor's failure to meet any of its obligations three times. After the third notice, the State may terminate this Contract on written notice to the Contractor without a cure period if the Contractor again fails to meet any obligation. The three notices do not have to relate to the same obligation or type of failure. Some provisions of this Contract may provide for a shorter cure period than 30 calendar days or for no cure period at all, and those provisions will prevail over this one. If a particular section does not state what the cure period will be, this provision will govern.

The State may terminate this Contract for its convenience and without cause, by giving thirty days written notice. The State also may terminate if the Ohio General Assembly fails to appropriate funds for any part of the Project. If a third party is providing funding for the Project, the State also may terminate this Contract should that third party fail to release any Project funds. The RFP Documents normally identify any third party source of funds for the Project, but an absence of such in the RFP Documents will not diminish the State's rights under this section.

The notice of termination, whether for cause or without cause, will be effective as soon as the Contractor receives it. Upon receipt of the notice of termination, the Contractor must immediately cease all work on the Project and take all steps necessary to minimize any costs the Contractor will incur related to this Contract. The Contractor also must immediately prepare a report and deliver it to the State. The report must be all-inclusive and must detail the work completed at the date of termination, the percentage of the Project's completion, any costs incurred in doing the Project to that date, and any Deliverables completed or partially completed but not delivered to the State at the time of termination. The Contractor also must deliver all the completed and partially completed Deliverables to the State with its report. However, if the State determines that delivery in that manner would not be in its interest, then the State will designate a suitable alternative form of delivery, which the Contractor must honor.

If the State terminates this Contract for cause, it will be entitled to cover for the Project by using another Contractor on such commercially reasonable terms as the State and the covering contractor may agree. The Contractor will be liable to the State for all costs related to covering for the Project to the extent that such costs, when combined with payments already made to the Contractor for the Project before termination, exceed the costs that the State would have incurred under this Contract. The Contractor also will be liable for any other direct damages resulting from its breach of this Contract or other action leading to termination for cause.

If the termination is for the convenience of the State, the Contractor will be entitled to compensation for any work on the Project that the Contractor has performed before the termination. Such compensation will be the Contractor's exclusive remedy in the case of termination for convenience and will be available to the Contractor only once the Contractor has submitted a proper invoice for such, with the invoice reflecting the amount that the State determines it owes to the Contractor. The State will make that determination based on the lesser of the percentage of the Project completed or the hours of work performed in relation to the estimated total hours required to perform the entire Project.

The State will have the option of suspending rather than terminating the Project, if the State believes that doing so would better serve its interests. In the event of a suspension for the convenience of the State, the Contractor will be entitled to receive payment for the work performed before the suspension. In the case of suspension of the Project rather than termination for cause, the Contractor will not be entitled to any compensation for any work performed. If the State reinstates the Project after suspension for cause, rather than terminating this Contract after the suspension, the Contractor may be entitled to compensation for work performed before the suspension, less any damage to the State resulting from the Contractor's breach of this Contract or other fault.

Any amount due for work before or after the suspension for cause will be offset by any damage to the State from the default or other event giving rise to the suspension.

In the case of a suspension for the State's convenience, the State will calculate the amount of compensation due to the Contractor for work performed before the suspension in the same manner as provided in this section for termination for the State's convenience. The Contractor will not be entitled to compensation for any other costs associated with a suspension for the State's convenience, and the State will make no payment under this provision to the Contractor until the Contractor submits a proper invoice. If the State decides to allow the work to continue rather than terminating this Contract after the suspension, the State will not be required to make any payment to the Contractor other than those payments specified in this Contract and in accordance with the payment schedule specified in this Contract for properly completed work.

Any notice of suspension, whether with or without cause, will be effective immediately on the Contractor's receipt of the notice. The Contractor will prepare a report concerning the Project just as is required by this Section in the case of termination. After suspension of the Project, the Contractor may not perform any work without the consent of the State and may resume work only on written notice from the State to do so. In any case of suspension, the State retains its right to terminate this Contract rather than to continue the suspension or resume the Project. If the suspension is for the convenience of the State, then termination of the Contract will be a termination for convenience. If the suspension is with cause, the termination will also be for cause.

The State may not suspend the Project for its convenience more than twice during the term of this Contract, and any suspension for the State's convenience may not continue for more than 30 calendar days. If the Contractor does not receive notice to resume or terminate the Project within the 30-day suspension, then this Contract will terminate automatically for the State's convenience at the end of the 30 calendar day period.

Any default by the Contractor or one of its subcontractors will be treated as a default by the Contractor and all of its subcontractors. The Contractor will be solely responsible for satisfying any claims of its subcontractors for any suspension or termination and must indemnify the State for any liability to them. Notwithstanding the foregoing, each subcontractor must hold the State harmless for any damage caused to them from a suspension or termination. They must look solely to the Contractor for any compensation to which they may be entitled.

Representatives. The State's representative under this Contract will be the person identified in the RFP Documents or in a subsequent notice to the Contractor as the "the State Project Manager." The State Project Manager will review all reports the Contractor makes in the performance of the Project, will conduct all liaison with the Contractor, and will accept or reject the Deliverables and the completed Project. The State Project Manager may delegate his responsibilities for individual aspects of the Project to one or more managers, who may act as the State Project Manager for those individual portions of the Project.

The Contractor's Project Manager under this Contract will be the person identified on the RFP Documents as the "Project Manager." The Project Manager will be the Contractor's liaison with the State under this Contract. The Project Manager also will conduct all Project meetings and prepare and submit to the State Project Manager all reports, plans, and other materials that the RFP Documents require from the Contractor.

Either party, upon written notice to the other party, may designate another representative. However, the Contractor may not replace the Project Manager without the approval of the State if that person is identified in the RFP Documents by name or as a key individual on the Project.

Work Responsibilities. The State will be responsible for providing only those things, if any, expressly identified in the RFP Documents. If the State has agreed to provide facilities or equipment, the Contractor, by signing this Contract, warrants that the Contractor has either inspected the facilities and equipment or has voluntarily waived an inspection and will work with the equipment and facilities on an "as is" basis.

The Contractor must assume the lead in the areas of management, design, and development of the Project. The Contractor must coordinate the successful execution of the Project and direct all Project activities on a day-to-day basis, with the advice and consent of the State Project Manager. The Contractor will be responsible for

all communications regarding the progress of the Project and will discuss with the State Project Manager any issues, recommendations, and decisions related to the Project.

If any part of the Project requires installation on the State's property, the State will provide the Contractor with reasonable access to the installation site for the installation and any site preparation that is needed. After the installation is complete, the Contractor must complete an installation letter and secure the signature of the State Project Manager certifying that installation is complete and the Project, or applicable portion of it, is operational. The letter must describe the nature, date, and location of the installation, as well as the date the State Project Manager certified the installation as complete and operational.

Unless otherwise provided in the RFP Documents, the Contractor is solely responsible for obtaining all official permits, approvals, licenses, certifications, and similar authorizations required by any local, state, or federal agency for the Project and maintaining them throughout the duration of this Contract.

Changes. The State may make reasonable changes within the general scope of the Project. The State will do so by issuing a written order under this Contract describing the nature of the change ("Change Order"). Additionally, if the State provides directions or makes requests of the Contractor without a change order, and the Contractor reasonably believes the directions or requests are outside the specifications for the Project, the Contractor may request a Change Order from the State. The parties will handle such changes as follows: The Contractor will provide pricing to the State. The State will execute a Change Order once it and the Contractor have agreed on the description of and specifications for the change, as well as any equitable adjustments that need to be made in the Contractor's Fee or the performance schedule for the work. Then within five business days after receiving the Change Order, the Contractor must sign it to signify agreement with it.

If a change causes an increase in the cost of, or the time required for, the performance of the Project, the Contractor must notify the State in writing and request an equitable adjustment in its Fee, the delivery schedule, or both before the Contractor signs the Change Order. If the Contractor claims an adjustment under this section in connection with a change to the Project not described in a written Change Order, the Contractor must notify the State in writing of the claim within five business days after the Contractor is notified of the change and before work on the change begins. Otherwise, the Contractor will have waived the claim. In no event will the State be responsible for any increase in the Fee or revision in any delivery schedule unless the State expressly ordered the relevant change in writing and the Contractor has complied with the requirements of this section. Provided the State has complied with the procedure for Change Orders in this section, nothing in this clause will excuse the Contractor from proceeding with performance of the Project, as changed.

Where an equitable adjustment to the Contractor's Fee is appropriate, the State and the Contractor may agree upon such an adjustment. If the State and the Contractor are unable to agree, either party may submit the dispute to the senior management of the Contractor and the senior management of the State's Department of Administrative Services for resolution. If within 30 calendar days following referral to senior management, the claim or dispute has not been resolved, the Contractor must submit its actual costs for materials needed for the change (or estimated amount if the precise amount of materials cannot be determined) and an estimate of the hours of labor required to do the work under the Change Order. The Contractor must break down the hours of labor by employee position, and provide the actual hourly pay rate for each employee involved in the change. The total amount of the equitable adjustment for the Change Order then will be made based on the actual cost of materials (or estimated materials) and actual rate for each person doing the labor (based on the estimated hours of work required to do the change). Labor rates will be increased by 25% to cover benefits and taxes. The equitable adjustment for the Change Order then will be set based on this amount, plus 15% to cover overhead and profit. This amount will be the not-to-exceed amount of the Change Order. If the change involves removing a requirement from the Project or replacing one part of the Project with the change, the State will get a credit for the work no longer required under the original scope of the Project. The credit will be calculated in the same manner as the Contractor's Fee for the change, and the not-to-exceed amount will be reduced by this credit.

The Contractor is responsible for coordinating changes with its subcontractors and adjusting their compensation and performance schedule. The State will not pay any subcontractor for the Change Order. If a subcontractor will perform any work under a Change Order, that work must be included in the Contractor's not-to-exceed

amount and calculated in the same manner as the Contractor's equitable adjustment for the portion of the work the Contractor will perform. The Contractor will not receive an overhead percentage for any work a subcontractor will do under a Change Order.

If the RFP Documents provide for the retainage of a portion of the Contractor's Fee, all equitable adjustments for Change Orders also will be subject to the same retainage, which the State will pay only on completion and acceptance of the Project, as provided in the RFP Documents.

Excusable Delay. Neither party will be liable for any delay in its performance that arises from causes beyond its control and without its negligence or fault. The delayed party must notify the other promptly of any material delay in performance and must specify in writing the proposed revised performance date as soon as practicable after notice of delay. In the event of any such excusable delay, the date of performance or of delivery will be extended for a period equal to the time lost by reason of the excusable delay. The delayed party also must describe the cause of the delay and what steps it is taking to remove the cause. The delayed party may not rely on a claim of excusable delay to avoid liability for a delay if the delayed party has not taken commercially reasonable steps to mitigate or avoid the delay. Things that are controllable by the Contractor's subcontractors will be considered controllable by the Contractor, except for third-party manufacturers supplying commercial items and over whom the Contractor has no legal control.

Independent Status of the Contractor. The parties are independent of one another, and the Contractor's Personnel may act only in the capacity of representatives of the Contractor and not as representatives of the State. Further, the Contractor's Personnel will not be deemed for any purpose to be employees, representatives, or agents of the State. The Contractor assumes full responsibility for the actions of the Contractor's Personnel while they are performing under this Contract and will be solely responsible for paying the Contractor's Personnel (including withholding, and paying income taxes and social security, workers' compensation, disability benefits and the like). The Contractor may not commit, and is not authorized to commit, the State in any manner. The Contractor's subcontractors will be considered the agents of the Contractor for purposes of this Contract.

Publicity. The Contractor may not advertise or publicize that it is doing business with the State or use this Contract or the Contractor's relationship with the State as a marketing or sales tool, unless the State agrees otherwise in writing.

PART THREE: OWNERSHIP AND HANDLING OF INTELLECTUAL PROPERTY AND CONFIDENTIAL INFORMATION

Confidentiality. The State may disclose to the Contractor written material or oral or other information that the State treats as confidential ("Confidential Information"). Title to the Confidential Information and all related materials and documentation the State delivers to the Contractor will remain with the State. The Contractor must treat such Confidential Information as secret, if it is so marked, otherwise identified as such, or when, by its very nature, it deals with matters that, if generally known, would be damaging to the best interest of the public, other contractors, potential contractors with the State, or individuals or organizations about whom the State keeps information. By way of example, information must be treated as confidential if it includes any proprietary documentation, materials, flow charts, codes, software, computer instructions, techniques, models, information, diagrams, know-how, trade secrets, data, business records, or marketing information. By way of further example, the Contractor also must treat as confidential materials such as police and investigative records, files containing personal information about individuals or employees of the State, such as personnel records, tax records, and so on, court and administrative records related to pending actions, any material to which an attorney-client, physician-patient, or similar privilege may apply, and any documents or records excluded by Ohio law from public records disclosure requirements.

The Contractor may not disclose any Confidential Information to third parties and must use it solely to do the Project. The Contractor must restrict circulation of Confidential Information within its organization and then only to people in the Contractor's organization that have a need to know the Confidential Information to do the Project. The Contractor will be liable for the disclosure of such information, whether the disclosure is intentional, negligent, or accidental, unless otherwise provided below.

The Contractor will not incorporate any portion of any Confidential Information into any work or product, other than a Deliverable, and will have no proprietary interest in any of the Confidential Information. Furthermore, the Contractor must cause all of its Personnel who have access to any Confidential Information to execute a confidentiality agreement incorporating the obligations in this section.

The Contractor's obligation to maintain the confidentiality of the Confidential Information will not apply where such: (1) was already in the Contractor's possession before disclosure by the State, and such was received by the Contractor without obligation of confidence; (2) is independently developed by the Contractor; (3) except as provided in the next paragraph, is or becomes publicly available without breach of this Contract; (4) is rightfully received by the Contractor from a third party without an obligation of confidence; (5) is disclosed by the Contractor with the written consent of the State; or (6) is released in accordance with a valid order of a court or governmental agency, provided that the Contractor (a) notifies the State of such order immediately upon receipt of the order and (b) makes a reasonable effort to obtain a protective order from the issuing court or agency limiting disclosure and use of the Confidential Information solely for the purposes intended to be served by the original order of production. The Contractor must return all originals of any Confidential Information and destroy any copies it has made on termination or expiration of this Contract.

Information that may be available publicly through other sources about people that is personal in nature, such as medical records, addresses, phone numbers, social security numbers, and similar things are nevertheless sensitive in nature and may not be disclosed or used in any manner except as expressly authorized in this Contract. Therefore, item (3) in the preceding paragraph does not apply, and the Contractor must treat such information as Confidential Information whether it is available elsewhere or not.

The Contractor may disclose Confidential Information to its subcontractors on a need-to-know basis, but the Contractor first must obligate them to the requirements of this section.

Confidentiality Agreements. When the Contractor performs services under this Contract that require the Contractor's and its subcontractors' personnel to access facilities, data, or systems that the State in its sole discretion deems sensitive, the State may require the Contractor's and its subcontractors' personnel with such access to sign an individual confidential agreement (Attachment Twelve) and have a background check performed before accessing those facilities, data, or systems. The Contractor must immediately replace any of its or its subcontractors' personnel who refuse to sign a required confidentiality agreement or acknowledgment

or have a background check performed. The contractor and any subcontractor will therein agree to comply with all applicable state and federal statutes and rules, and all the State policies for the protection of sensitive data, confidential medical, claim, and employer premium information, and Confidential Personal Information (CPI).

Ownership of Deliverables. The State will own all hardware, custom software (including but not limited to conversion programs, utilities, etc.), software license and other components of the Project. In addition, the State owns all Deliverables that the Contractor produces under this Contract, including any documentation, with all rights, title, and interest in all intellectual property that come into existence through the Contractor's custom work being assigned to the State. Additionally, the Contractor waives any author rights and similar retained interests in custom-developed material. The Contractor must provide the State with all assistance reasonably needed to vest such rights of ownership in the State. The Contractor will retain ownership of all tools, methods, techniques, standards, and other development procedures, as well as generic and preexisting shells, subroutines, and similar material incorporated into any custom Deliverable ("Pre-existing Materials"), if the Contractor provides the non-exclusive license described in the next paragraph.

The Contractor may grant the State a worldwide, non-exclusive, royalty free, perpetual license to use, modify, and distribute all Pre-existing Materials that are incorporated into any custom-developed Deliverable rather than grant the State ownership of the Pre-existing Materials. The State may distribute such Pre-existing materials to third parties only to the extent required by governmental funding mandates. The Contractor may not include in any custom Deliverable any intellectual property unless such has been created under this Contract or qualifies as Pre-existing Material. If the Contractor wants to incorporate any Pre-existing Materials into a custom Deliverable, the Contractor must first disclose that desire to the State in writing and seek the State's approval for doing so in advance. The State will not be obligated to provide that approval, unless the Contractor disclosed its intention to do so in the RFP Documents. On the Contractor's request, the State will incorporate into any copies of a custom Deliverable any proprietary notice that the Contractor included with the original copy, if that notice is reasonably necessary to protect the Contractor's interest in any Pre-existing Materials contained in the custom Deliverable.

Subject to the limitations and obligations of the State with respect to Pre-existing Materials, the State may make all custom Deliverables available to the general public without any proprietary notices of any kind.

For Deliverables that include custom materials such as software, scripts, or similar computer instructions developed for the State, the State is entitled to the source material. Scripts and similar functionality may not be locked or otherwise protected from access by the State unless the State has any passwords or other tools necessary to access the material. Source material must include annotations or comments according to industry standards. Further, the State is entitled to any working papers the Contractor has developed during the performance of the Project that would reasonably assist the State in using the Deliverables that include source materials or that would help the State protect its interests in the Deliverable or update, modify, or otherwise maintain the Deliverable. This also includes all design and architectural materials, such as schemas.

License in Commercial Material. As used in this section, "Commercial Material" means anything that the Contractor or a third party has developed at private expense, is commercially available in the marketplace, subject to intellectual property rights, and readily copied through duplication on magnetic media, paper, or other media. Examples include written reports, books, pictures, videos, movies, computer programs, and computer source code and documentation. It does not include Key Commercial Software that will be governed by Attachment Nine, Master Contract, but does include other Commercial Software.

Any Commercial Material that the Contractor intends to deliver as a Deliverable must have the scope of the license granted in such material disclosed in the RFP Documents or as an attachment referenced in the RFP Documents, if that scope of license is different from the scope of license contained in this section for Commercial Materials.

Except for Commercial Material that is software ("Commercial Software"), if the Commercial Material is copyrighted and published material, then the State will have the rights permitted under the federal copyright laws for each copy of the Commercial Material delivered to it by the Contractor.

Except for Commercial Software, if the Commercial Material is patented, then the State will have the rights permitted under the federal patent laws for each copy of the Commercial Material delivered to it by the Contractor.

Except for Commercial Software, if the Commercial Material consists of trade secrets, then the State will treat the material as confidential. In this regard, the State will assume all obligations with respect to the Commercial Material that the Contractor assumes under the Confidentiality section of this Contract with respect to the State's Confidential Information. Otherwise, the State will have the same rights and duties permitted under the federal copyright laws for each copy of the Commercial Material delivered to it by the Contractor, whether or not the material is copyrighted when delivered to the State.

For Commercial Software, the State will have the rights in items (1) through (6) of this section with respect to the software. The State will not use any Commercial Software except as provided in the six items below or as expressly stated otherwise in this Contract. The Commercial Software may be:

1. Used or copied for use in or with the computer or computers for which it was acquired, including use at any State installation to which such computer or computers may be transferred;
2. Used or copied for use in or with a backup computer for disaster recovery and disaster recovery testing purposes or if any computer for which it was acquired is inoperative;
3. Reproduced for safekeeping (archives) or backup purposes;
4. Modified, adapted, or combined with other computer software, but the modified, combined, or adapted portions of the derivative software incorporating any of the Commercial Software will be subject to same restrictions set forth in this Contract;
5. Disclosed to and reproduced for use on behalf of the State by support service contractors or their subcontractors, subject to the same restrictions set forth in this Contract; and
6. Used or copied for use in or transferred to a replacement computer.

Commercial Software delivered under this Contract is licensed to the State without disclosure restrictions unless it is clearly marked as confidential or secret. The State will treat any Commercial Software that is marked as confidential or secret as Confidential Information to the extent that such is actually the case.

Key Commercial Software will be covered by a separate Master Contract for Software Licensing, in the form of Attachment Nine. When such a Master Contract is executed, it will be a separate agreement and not part of this Contract, though the Contractor remains responsible for ensuring that the completed Project, including any Key Commercial Software, meets the requirements of this Contract and performs according to the RFP Documents' requirements.

PART FOUR: REPRESENTATIONS, WARRANTIES, AND LIABILITIES

General Warranties. The Contractor warrants that the recommendations, guidance, and performance of the Contractor under this Contract will: (1) be in accordance with sound professional standards and the requirements of this Contract and without any material defects; and (2) unless otherwise provided in the RFP Documents, be the work solely of the Contractor. The Contractor also warrants that: (1) no Deliverable will infringe on the intellectual property rights of any third party; and (2) the Contractor's work and the Deliverables resulting from that work will be merchantable and fit for the particular purposes described in the RFP Documents.

Additionally, with respect to the Contractor's activities under this Contract, the Contractor warrants that: (1) the Contractor has the right to enter into this Contract; (2) the Contractor has not entered into any other contracts or employment relationships that restrict the Contractor's ability to perform the contemplated services; (3) the Contractor will observe and abide by all applicable laws and regulations, including those of the State regarding conduct on any premises under the State's control and security for the State's data, systems, and networks; (4) the Contractor has good and marketable title to any goods delivered under this Contract and in which title passes to the State; (5) the Contractor has the right and ability to grant the license granted in any Deliverable in which title does not pass to the State; and (6) the Contractor is not subject to any unresolved findings of the Auditor of State under Revised Code Section 9.24 and will not become subject to an unresolved finding that prevents the extension or renewal of this Contract.

The warranties regarding material defects, merchantability, and fitness are one-year warranties. All other warranties will be continuing warranties. If any portion of the Project fails to comply with these warranties, and the Contractor is so notified in writing, the Contractor must correct such failure with all due speed or must refund the amount of the compensation paid for such portion of the Project. The Contractor also must indemnify the State for any direct damages and claims by third parties based on a breach of these warranties. This obligation of indemnification will not apply where the State has modified or misused the Deliverable and the claim is based on the modification or misuse. The State will give the Contractor notice of any such claim as soon as reasonably practicable. If a successful claim of infringement is made, or if the Contractor reasonably believes that an infringement claim that is pending may actually succeed, the Contractor must do one of the following things: (1) modify the Deliverable so that it is no longer infringing; (2) replace the Deliverable with an equivalent or better item; (3) acquire the right for the State to use the infringing Deliverable as it was intended for the State to use under this Contract; or (4) remove the Deliverable and refund the amount the State paid for the Deliverable and the amount of any other Deliverable or item that requires the availability of the infringing Deliverable for it to be useful to the State.

Software Warranty. If this Contract involves software as a Deliverable, then, on acceptance and for 12 months after the date of acceptance of any Deliverable that includes software, the Contractor warrants as to all software developed under this Contract that: (a) the software will operate on the computer(s) for which the software is intended in the manner described in the relevant software documentation, the Contractor's Proposal, and the RFP Documents; (b) the software will be free of any material defects; (c) the Contractor will deliver and maintain relevant and complete software documentation, commentary, and source code; and (d) the source code language used to code the software is readily available in the commercial market, widely used and accepted for the type of programming involved, and support programming in the language is reasonably available in the open market; and (e) the software and all maintenance will be provided in a professional, timely, and efficient manner.

For Commercial Software licensed from a third party that is incorporated into a Deliverable, and for which the State has not approved a separate license agreement governing that Commercial Software's warranties as part of the RFP process, the Contractor represents and warrants that it has done one of the following things: (a) obtained the right from the third-party licensor to commit to the warranties and maintenance obligations in this Section; (b) obtained a binding commitment from the licensor to make those warranties and maintenance obligations directly to the State; or (c) fully disclosed in the RFP Documents any discrepancies between the requirements of this section and the commitment the third-party licensor has made.

In addition, for Commercial Software that is incorporated into a Deliverable, the Contractor will: (a) maintain or cause the third-party licensor to maintain the Commercial Software so that it operates in the manner described in the RFP Documents (or any attachment referenced in the RFP Documents) and relevant Commercial Software documentation; (b) supply technical bulletins and updated user guides; (c) supply the State with updates, improvements, enhancements, and modifications to the Commercial Software and documentation and, if available, the commentary and the source code; (d) correct or replace the Commercial Software and/or remedy any material programming error that is attributable to the Contractor or the third-party licensee; (e) maintain or cause the third-party licensor to maintain the Commercial Software and documentation to reflect changes in the subject matter the Commercial Software deals with; (f) maintain or obtain a commitment from the third-party licensor to maintain the Commercial Software so that it will properly operate in conjunction with changes in the operating environment in which it is designed to operate.

For purposes of the warranties and the delivery requirements in this Contract, software documentation means well written, readily understood, clear, and concise instructions for the software's users as well as a system administrator. The software documentation will provide the users of the software with meaningful instructions on how to take full advantage of all of the capabilities designed for end users. It also means installation and system administration documentation for a system administrator to allow proper control, configuration, and management of the software. Source code means the uncompiled operating instructions for the software. However, the Contractor will not be obligated to provide source code for Commercial Software unless it is readily available from the licensor. The source code must be provided in the language in which it was written and will include commentary that will allow a competent programmer proficient in the source language to readily interpret the source code and understand the purpose of all routines and subroutines contained within the source code.

Indemnity for Property Damage and Bodily Injury. The Contractor must indemnify the State for all liability and expense resulting from bodily injury to any person (including injury resulting in death) and damage to tangible or real property arising out of the performance of this Contract, provided that such bodily injury or property damage is due to the negligence or other tortious conduct of the Contractor, its employees, agents, or subcontractors. The Contractor will not be responsible for any damages or liability to the extent caused by the negligence or willful misconduct of the State, its employees, other contractors, or agents.

Limitation of Liability. Neither party will be liable for any indirect, incidental, or consequential loss or damage of the other party, including but not limited to lost profits, even if the parties have been advised, knew, or should have known of the possibility of such damages. Additionally, neither party will be liable to the other for direct or other damages in excess of two times the not-to-exceed fixed price of this Contract. The limitations in this paragraph do not apply to any obligation of the Contractor to indemnify the State against claims made against it or for damages to the State caused by the Contractor's negligence or other tortious conduct.

PART FIVE: ACCEPTANCE AND MAINTENANCE

Standards of Performance and Acceptance. There will be a period for performance testing for each release that is migrated to production. Prior to each performance period, the State, with the assistance of the Contractor, will perform user acceptance testing. The performance period will last up to 90 calendar days, during which time the Project must meet the standard of performance required by the RFP Documents for 30 consecutive calendar days. The performance criteria in the RFP Documents will be supplemented with the relevant user manuals, technical materials, and related writings, to the extent that the specifications in those writings supplement and refine rather than contradict the performance criteria in the RFP Documents. Acceptance of the Project depends on a successful completion of the performance period defined in this section and the RFP Documents. This section applies to the Project and any part of it, as well as replacements or substitutes for the Project after completion of a successful performance period.

If the Project does not meet the standard of performance during the initial performance period, the State will give the Contractor details about the problems in a timely manner and in a useful and relevant form. Until the Contractor demonstrably corrects all outstanding problems, the second performance period will not start, and the State will not accept the Project (or part thereof). The second performance test will continue on a day-by-day basis until the standard of performance is met for a total of 30 consecutive calendar days or until the 90-day performance period has ended without meeting the standard of performance.

If the Project fails to meet the standard of performance after 90 calendar days from the start of the second performance period, the Contractor will be in default and will not have a cure period. In addition to all other remedies the State may have under this Contract, the State may request a correction or replacement of the relevant portion of the Project.

The Project may have components that can be tested for acceptance individually. If that is so, there may be acceptance criteria listed on the RFP Documents for each part of the Project that will be independently tested and accepted. However, unless the RFP Documents expressly provide otherwise, the failure of any independently tested component to meet its acceptance criteria will give the State the right to reject the entire Project. Alternatively, if the State determines that it is in the State's interest to reject only the part of the Project that was independently and unsuccessfully tested, it may do so. If the State chooses this option, the State will be entitled to a refund or credit toward the Contractor's Fee equal to the cost of acquiring a replacement for the rejected component.

The acceptable level of performance for the Project is defined by the service level agreements (SLAs) included in the RFP and as may be subsequently modified by mutual agreement of the State and the Contractor. Additional performance standards will be established during the definition of the performance test plan.

The Project will not be accepted until the performance period is successfully completed.

Should it be necessary, the State may delay the start of the performance period, but the delay will not exceed 30 consecutive calendar days after the scheduled date for implementation of the Project. Such a delay will not be considered a suspension of work under the Suspension and Termination section of this Contract.

Passage of Title. Title to any Deliverable will pass to the State only on acceptance of the Deliverable. All risk of loss, regardless of the cause, will remain with the Contractor until title to the Deliverable passes to the State.

Software Maintenance. If this Contract involves software as a Deliverable, then, during the warranty period, as well as any optional maintenance periods that the State exercises, the Contractor must correct any material programming errors that are attributable to the Contractor within a reasonable period of time. However, the State must notify the Contractor, either orally or in writing, of a problem with the software and provide sufficient information for the Contractor to identify the problem.

The Contractor's response to a programming error will depend upon the severity of the problem. For programming errors that slow the processing of data by a small degree, render minor and non-mandatory functions of the System inoperable or unstable, or require users or administrators to employ workarounds to

fully use the software, Contractor will respond to the request for resolution within four business hours. Furthermore, the Contractor must begin working on a proper solution for the problem within one business day, dedicating the resources required to fix the problem. For any defects with more significant consequences, including those that render key functions of the system inoperable or significantly slow processing of data, the Contractor will respond within two business hours of notice. The Contractor also must begin working on a proper solution for the problem immediately after responding and, if requested, provide on-site assistance and dedicate all available resources to resolving the problem.

For software classified as Commercial Software in the Ownership of Deliverables section and for which the State has not signed a separate license agreement, the Contractor must acquire for the State the right to maintenance for one year. That maintenance must be the third-party licensor's standard maintenance program, but at a minimum, that maintenance program must include all, updates, patches, and fixes to the software. It also must include a commitment to keep the software current with the operating environment in which it is designed to function (and, if applicable, the subject matter covered by the software) and to correct material defects in the software in a timely fashion. Additionally, the Contractor must obtain a commitment from the licensor to make maintenance available for the product for at least four years after the first year of maintenance. The Contractor also must obtain a commitment from the licensor to limit increases in the annual Fee for maintenance to no more than 7% annually. If the licensor is unable to provide maintenance during that five-year period, then the licensor must be committed to doing one of the following two things: (a) give the State a *pro rata* refund of the license fee based on a five-year useful life; or (b) release the source code for the software (except third party software) to the State for use by the State solely for the purpose of maintaining the copy(ies) of the software for which the State has a proper license. For purposes of receiving the source code, the State agrees to treat it as confidential and to be obligated to the requirements under the Confidentiality section of this Contract with respect to the source code. That is, with respect to the source code that the State gets under this section, the State will do all the things that the Confidentiality section requires the Contractor to do in handling the State's Confidential Information.

Principal Period of Maintenance (General). The Contractor must make maintenance available nine working hours per weekday, between 8:00 a.m. and 5:00 p.m. Travel time and expenses related to remedial and preventive maintenance will not be considered billable but will be included in the Contractor's firm, fixed Fee for the Project during the warranty period and a part of the annual maintenance Fee during later annual maintenance periods.

Maintenance Access (General). The Contractor must keep the Project in good operating condition during the warranty period and any annual maintenance period during which the State contracts for continued maintenance. The State will provide the Contractor with reasonable access to the Project to perform maintenance. All maintenance that requires the Project to be inoperable must be performed outside the State's customary working hours, except when the Project is already inoperable. Preventive or scheduled maintenance will be performed at mutually agreeable times, within the parameters of the manufacturer's published schedule.

Key Maintenance Personnel (General). The Contractor must identify all key people responsible for providing maintenance on the Project, furnish the State with a means of identifying these people, furnish the State with their credentials, and notify the State at least 30 calendar days in advance of any reductions in staffing levels of key people at the office serving the State.

PART SIX: CONSTRUCTION

Entire Document. This Contract is the entire agreement between the parties with respect to its subject matter and supersedes any previous agreements, whether oral or written.

Binding Effect. This Contract will be binding upon and inure to the benefit of the respective successors and assigns of the State and the Contractor.

Amendments – Waiver. No change to any provision of this Contract will be effective unless it is in writing and signed by both parties. The failure of either party at any time to demand strict performance by the other party of any of the terms of this Contract will not be a waiver of those terms. Waivers must be in writing to be effective, and either party may at any later time demand strict performance.

Severability. If any provision of this Contract is held by a court of competent jurisdiction to be contrary to law, the remaining provisions of this Contract will remain in full force and effect to the extent that such does not create an absurdity.

Construction. This Contract will be construed in accordance with the plain meaning of its language and neither for nor against the drafting party.

Headings. The headings used herein are for the sole sake of convenience and may not be used to interpret any section.

Notices. For any notice under this Contract to be effective, it must be made in writing and sent to the address of the appropriate contact provided elsewhere in the Contract, unless such party has notified the other party, in accordance with the provisions of this section, of a new mailing address. This notice requirement will not apply to any notices that this Contract expressly authorized to be made orally.

Continuing Obligations. The terms of this Contract will survive the termination or expiration of the time for completion of Project and the time for meeting any final payment of compensation, except where such creates an absurdity.

Time. Unless otherwise expressly provided, any reference in this document to a number of days for an action or event to occur means calendar days, and any reference to a time of the day, such as 5:00 p.m., is a reference to the local time in Columbus, Ohio.

PART SEVEN: LAW AND COURTS

Compliance with Law. The Contractor must comply with all applicable federal, state, and local laws while performing under this Contract.

Drug-Free Workplace. The Contractor must comply with all applicable state and federal laws regarding keeping a drug-free workplace. The Contractor must make a good faith effort to ensure that all of the Contractor's Personnel, while working on state property, will not have or be under the influence of illegal drugs or alcohol or abuse prescription drugs in any way.

Conflict of Interest Statement. Each Proposal must include a statement indicating whether the offeror or any people that may work on or benefit from the Project through the offeror have a possible conflict of interest (e.g., employed by the State of Ohio, etc.) and, if so, the nature of that conflict. The State may reject a Proposal in which an actual or apparent conflict is disclosed. The State also may terminate the Contract if it discovers any actual or apparent conflict of interest that the offeror did not disclose in its Proposal.

Unresolved Finding for Recovery. If the Contractor was subject to an unresolved finding of the Auditor of State under Revised Code Section 9.24 on the date the parties sign this Contract, the Contract is void. Further, if the Contractor is subject to an unresolved finding of the Auditor of State under Revised Code Section 9.24 on any date on which the parties renew or extend this Contract, the renewal or extension will be void.

Equal Employment Opportunity. The Contractor will comply with all state and federal laws regarding equal employment opportunity and fair labor and employment practices, including Ohio Revised Code Section 125.111 and all related Executive Orders.

Before a contract can be awarded or renewed, an Affirmative Action Program Verification Form must be submitted to the Department of Administrative Services Equal Opportunity Division to comply with the affirmative action requirements. Affirmative Action Verification Forms and approved Affirmative Action Plans can be found by going to the Ohio Business Gateway at: <http://business.ohio.gov/efiling/>

Security & Safety Rules. When using or possessing State data or accessing State networks and systems, the Contractor must comply with all applicable State rules, policies, and regulations regarding data security and integrity. And when on any property owned or controlled by the State, the Contractor must comply with all security and safety rules, regulations, and policies applicable to people on those premises.

Governing the Expenditure of Public Funds on Offshore Services (EO 2011-12K). The Contractor affirms to have read and understands Executive Order 2011-12K and shall abide by those requirements in the performance of this Contract. Notwithstanding any other terms of this Contract, the State reserves the right to recover any funds paid for services the Contractor performs outside of the United States for which it did not receive a waiver. The State does not waive any other rights and remedies provided the State in this Contract.

The Contractor agrees to complete the attached Executive Order 2011-12K Affirmation and Disclosure Form which is incorporated and becomes a part of this Agreement.

Injunctive Relief. Nothing in this Contract is intended to limit the State's right to injunctive relief, if such is necessary to protect its interests or to keep it whole.

Assignment. The Contractor may not assign this Contract or any of its rights or obligations under this Contract without the prior, written consent of the State. The State is not obligated to provide its consent to any proposed assignment.

Governing Law. This Contract will be governed by the laws of Ohio, and venue for any disputes will lie exclusively with the appropriate court in Franklin County, Ohio.

**ATTACHMENT FIVE
SAMPLE CONTRACT**

**A CONTRACT BETWEEN
THE DEPARTMENT OF ADMINISTRATIVE SERVICES
ON BEHALF OF THE OFFICE OF BUDGET AND MANAGEMENT
AND**

(CONTRACTOR)

THIS CONTRACT, which results from RFP 0A1085, entitled Planning and Budget Management Solution, is between the State of Ohio, through the Department of Administrative Services, on behalf of the Office of Budget and Management and _____ (the "Contractor").

This Contract consists of the referenced RFP, including all its attachments and supplements, written amendments to the RFP, the Contractor's Proposal, and written, authorized amendments to the Contractor's Proposal. It also includes any materials incorporated by reference in the above documents and any purchase orders and Change Orders issued under the Contract. The form of the Contract is this one page document, which incorporates by reference all the documents identified above. The General Terms and Conditions for the Contract are contained in an attachment to the RFP. If there are conflicting provisions among the documents that make up the Contract, the order of precedence for the documents is as follows:

1. This document;
2. The RFP, as amended;
3. The documents and materials incorporated by reference in the RFP;
4. The Executive Order EO 2011-12K incorporated by reference in the RFP;
4. The Contractor's Proposal, as amended, clarified, and accepted by the State; and
5. The documents and materials incorporated by reference in the Contractor's Proposal.

Notwithstanding the order listed above, Change Orders and amendments issued after the Contract is executed may expressly change the provisions of the Contract. If they do so expressly, then the most recent of them will take precedence over anything else that is part of the Contract.

This Contract has an effective date of the later of _____, 20____, or the occurrence of all conditions precedent specified in the General Terms and Conditions.

TO SHOW THEIR AGREEMENT, the parties have executed this Contract as of the dates below.

CONTRACTOR

STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES

SAMPLE - DO NOT FILL OUT

By: _____

By: «OIT_DIRECTOR»

Title: _____

Title: «OIT_DIRECTOR_TITLE»

Date: _____

Date: _____

**ATTACHMENT SIX
SAMPLE DELIVERABLE/MILESTONE SUBMITTAL FORM**

Client Name:	[Insert Client Name]
Project Name:	[Insert Project Name]
Contract Number:	[Insert Contract Number]
Deliverable To Be Reviewed or Milestone Attained:	[Insert Deliverable/Milestone Name and Work Breakdown Structure Task #]
Date Deliverable Submitted for Review or Milestone Achievement Date:	[Insert Applicable Date]

The **[insert Deliverable/milestone name]** Deliverable/milestone is complete. This Deliverable/milestone has been completed/attained by **[insert Corporate name]** in accordance with the requirements specified in the RFP and Project Plan. Please obtain signatures below indicating the compliance of **[insert Deliverable/milestone name]**. Please obtain all signatures within **XX** calendar days of the Submitted or Achievement Date, above, **[insert date XX calendar days from submitted date]**.

Please contact _____ at **XXX-XXX** with any questions.

Sincerely,

[Insert Company Name]
[Insert Project Name] Project Manager

Printed Name
Contractor Project Manager
{Same as person signing above}

<p>COMPLIANT: Deliverable Payment Authorized: Yes _____ No _____ N/A _____</p> <p>_____</p> <p>Signature of the State Project Manager /Date</p>
--

<p>NOT COMPLIANT: Describe reason(s) for non-compliance: (Continue on back if necessary)</p> <p>_____</p> <p>Signature of the State Project Manager / Date Payment <u>Not</u> Authorized</p>

**ATTACHMENT SEVEN
OFFEROR CERTIFICATION FORM**

1. The offeror is not currently subject to an “unresolved” finding for recovery under Revised Code Section 9.24, and the offeror will notify the Procurement Representative any time it becomes subject to such a finding before the award of a Contract arising out of this RFP.
2. The offeror certifies that it will not and will not allow others to perform work for the State of Ohio outside the geographic limitations contained in Attachment Two or take data that belongs to the State of Ohio outside the geographic limitations contained in Attachment Two without express written authorization from the State.
3. The offeror certifies that its responses to the following statements are true and accurate. The offeror’s answers apply to the last seven years. Please indicate yes or no in each column.

Yes/No	Description
	The offeror has had a contract terminated for default or cause.
	The offeror has been assessed any penalties in excess of \$10,000.00, including liquidated damages, under any of its existing or past contracts with any organization (including any governmental entity).
	The offeror was the subject of any governmental action limiting the right of the offeror to do business with that entity or any other governmental entity.
	Trading in the stock of the company has ever been suspended with the date(s) and explanation(s).
	The offeror, any officer of the offeror, or any owner of a 20% interest or greater in the offeror has filed for bankruptcy, reorganization, a debt arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding.
	The offeror, any officer of the offeror, or any owner with a 20% interest or greater in the offeror has been convicted of a felony or is currently under indictment on any felony charge.

If the answer to any item above is affirmative, the offeror must provide complete details about the matter. While an affirmative answer to any of these items will not automatically disqualify an offeror from consideration, at the sole discretion of the State, such an answer and a review of the background details may result in a rejection of the Proposal. The State will make this decision based on its determination of the seriousness of the matter, the matter’s possible impact on the offeror’s performance under the Contract, and the best interest of the State.

4. The offeror certifies that neither it nor any of its people that may work on or benefit from the Contract through the offeror has a possible conflict of interest (e.g., employed by the State of Ohio, etc.) other than the conflicts identified immediately below:

Potential Conflicts (by person or entity affected)

(Attach an additional sheet if more space is need.)

The State may reject a Proposal in which an actual or apparent conflict is disclosed. And the State may cancel or terminate the Contract for cause if it discovers any actual or apparent conflict of interest that the offeror did not disclose in its Proposal.

5. The offeror certifies that all its and its subcontractors' personnel provided for the Project will have a valid I-9 form on file with the offeror or subcontractor, as appropriate, and will have presented valid employment authorization documents, if they are not United States citizens.
6. The following is a complete list of all subcontractors, if any, that the offeror will use on the Project, if the State selects the offeror to do the work:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

The offeror certifies that it has obtained and submitted a subcontractor letter, as required by Attachment Three, for each subcontractor it plans to use on the project.

Please provide the following information for a contact person who has authority to answer questions regarding the offeror's Proposal:

Name:	
Title:	
Mailing Address:	
Office Phone Number:	
Cell Phone Number:	
Fax Number:	
Email Address:	

Signature

Name

Title

Company Name

Company D-U-N-S Number

**ATTACHMENT EIGHT
OFFEROR PROFILE SUMMARY**

OFFEROR MANDATORY REQUIREMENTS

Note: The offeror should duplicate this form as necessary to demonstrate the requirement.

MANDATORY REQUIREMENT: The offeror must have a minimum of three Planning and Budget Management implementations of the proposed solution currently in production. These implementations must involve multiple business entities and at least \$10B in budget requests.

To demonstrate this experience, the offeror must include up to, but not more than, six references from organizations that have a Planning and Budget Management implementation currently in production that involve multiple business entities and at least \$10B in budget requests. **If more than six references are provided, only the first six listed will be used for scoring.**

Company Name:	Contact Name: (Indicate Primary or Alternate) Contact Title:	
Company Address:	Contact Phone Number: Contact Email Address:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:
Provide a detailed description of the referenced planning and budget management system implementation.		

ATTACHMENT NINE: MASTER CONTRACT FOR SOFTWARE LICENSING

(MLA NUMBER [0000000])

THIS CONTRACT (the "Contract") is between the State of Ohio (the "State"), through the Department of Administrative Services, Investment and Governance Division, with offices at 30 East Broad Street, Columbus, Ohio 43215, and *[Company name of the Contractor]* (the "Contractor"), with offices at *[street address, city, state and zip code for the Contractor]*, and whose Federal Tax ID Number is *[the Contractor's TIN]* and D-U-N-S Number is *[the Contractor's D-U-N-S]*.

BACKGROUND

The State and the Contractor have entered into this Contract to provide the terms and conditions under which the Contractor will grant one or more perpetual, nonexclusive licenses to the State to use certain software that the Contractor publishes or markets (the "Software"). Any such licenses will be described in one or more schedules to this Contract ("Schedules") and will include a license to use the Software's user and technical documentation (the "Documentation"). It also may include a license to use the Software's source code and related material ("Source Code"), if it is so indicated elsewhere in this Contract or on the applicable Schedule. Additionally, this Contract governs the Contractor's obligation to provide the State with assistance troubleshooting the Software and with updates, correction, enhancements, and new releases of the Software ("Support").

PART I: LICENSE AND USE

- 1. Grant of License.** The Contractor grants to the State a nonexclusive, nontransferable, and perpetual license to use the executable code version of the Software identified in each Schedule under this Contract, along with the related Documentation, and if indicated in an applicable Schedule, the Source Code for the Software. The license begins on the date identified in the applicable Schedule as the start date for the license (the "Start Date"). Unless indicated otherwise in this Contract, such use will be limited to use solely for the exercise of any function of State government by any State agency or political subdivision of the State ("Affiliated Entities"). The applicable Schedule governing the license will describe the scope of each license granted to the State in further detail, and the State agrees to limit its use of the Software as described in the applicable Schedule. The State may not republish the Software or the Documentation or distribute it to any third party, unless and only to the extent that this Contract or the scope of license in the applicable Schedule expressly so permits. The State will have a right to use the Software at any of its locations worldwide, subject only to applicable restrictions on export of technology from the US, the scope of license in the applicable Schedule, and the restrictions in this Contract on using the Software in hazardous environments.
- 2. Generated Files.** "Generated Files" are files that the State creates using the Software and in which the State's data or results from the State's instructions are stored. Examples of such files could include, among others, text files generated with a word processor, data tables created with a database engine, and image files created with a graphics application. Applications consisting of instruction sets created with a programming language that the Contractor licensed to the State also would be considered Generated Files. As between the State and the Contractor, the State will own all Generated Files that the State prepares by using the Software, excluding such portions of the Generated Files that consist of embedded portions of the Software. The Contractor or its licensors will retain ownership of any portions of the Software embedded into Generated Files. But the Contractor grants to the State a nonexclusive, royalty-free right to reproduce and distribute to third parties any portions of the Software embedded in any Generated Files that the State creates while using the Software in the manner in which the Software is designed to be used. In the State's distribution of the Generated Files, the State may not use the Contractor's name, logo, or trademarks, except to the extent that such are incorporated in such Generated Files by the design of the Software when used as intended.
- 3. License Restrictions.** The State may not reverse engineer, de-compile, or disassemble any Software for which it is not licensed to use the Software's Source Code. Additionally, the State may not assign, transfer, or redistribute the Software to any party in whole or in part, except as expressly provided by this Contract or the applicable Schedule. It also may not rent, time share, or operate a service bureau with respect to the Software. And the State may not charge a fee to any third party for access to or use of the Software, unless this Contract or the applicable Schedule permits such. (One Affiliated Entity using the Software on behalf of another Affiliated Entity is not the operation of a service bureau for purposes of this Contract, even if the Affiliated Entity charges the other Affiliated Entity for the costs of the service.) Additionally, except as authorized in this Contract or the applicable Schedule, the State may not grant any sublicense to access or use the Software. Notwithstanding the foregoing, and provided they have agreed in writing to honor the terms of this Contract, the

State's Affiliated Entities may use the Software in the same manner as the State, subject to the applicable limits on the license and the obligations contained in this Contract. Further, for any Software designed for communications, such as e-commerce applications, or for Web presentations, the State may communicate with third parties using the Software and use the Software for presentations to third parties via the Internet. Additionally, the State engages various contractors to do work for it, and the State may provide such contractors with access to and use of the Software solely for use on behalf of the State, including in a facilities management, hosting, disaster recovery, or outsourcing arrangement. But the State may not provide access to the Software to any such contractors except for use solely on behalf of the State.

- 4. Locking Devices.** Some Software may require the use of a key to prevent unauthorized installation and use of the Software, but the Software may not include expiration codes, "time bombs", or similar devices that can disable the software once a proper key is provided. Further, the software may not contain any routines, functions, or devices that can or are designed to transmit or transfer any data surreptitiously to the Contractor or any other party. Nor may the software contain any routines, functions, or similar devices designed to permit the Contractor or a third party to surreptitiously access data on the State's network or on any of the State's computers. Should the State need assistance with a key or similar device to use the Software within the State's scope of license, the Contractor will assist the State at any time and without charge or fee, regardless of whether such Software is then under Support.
- 5. Copies.** In addition to the copies of the Software authorized by the license in the applicable Schedule, the State may make a reasonable number of copies of the Software for backup, archival, disaster recovery, testing, development, and image management purposes. And the State may use these copies for such purposes without paying any additional fee or charge, so long as any such additional copies are not used in a production environment while the production copy or copies of the Software are used for production. No other copies of the Software may be made by or for the State. With respect to the Documentation for any Software, the State may make as many copies of it in either paper-based or electronic form as the State may reasonably require for its own internal purposes. Additionally, the State may incorporate portions of the Documentation in other materials, such as training and reference manuals, provided that such materials are used solely for the internal purposes of the State and the use bears a reasonable nexus to the State's use of the Software. Each copy of the Software or Documentation that the State makes must bear the same copyright and other proprietary notices that appear on the original copy provided to the State. If the Contractor has granted the State a license to use the Source Code for the Software, the State may make a reasonable number of copies of the Source Code, modify it, compile it, and otherwise use it as reasonably necessary to support its licensed use of the Software.
- 6. Hazardous Environments.** The State recognizes that some Software may not be designed or intended for use as or with online control equipment or systems in hazardous environments requiring fail-safe performance. This includes equipment or systems such as those used in the operation of nuclear facilities, aircraft navigation, air traffic control, direct life support machines, and munitions. It also includes any other equipment or systems in which the State reasonably can foresee that failure of the Software could lead to death, personal injury, or severe physical or environmental damage. For any Software designated as not intended for hazardous environments in the applicable Schedule, the State may not use or permit the use of the Software in conjunction with any such equipment or systems.
- 7. Object Reassignment.** Any Software licensed by the number of items that it may be used on, by, or in conjunction with, such as nodes, computers, users, or sites ("Objects"), may be reassigned to other, similar Objects within the State at any time and without any additional fee or charge. For example, a computer-specific license may be transferred to another computer, a site license may be transferred to another site, and a named user license may be assigned to another user. But any such reassignment must be in conjunction with termination of use by or with the previous Object, if such termination is required to keep the total number of licensed Objects within the scope of the applicable license. Should the State require a special code, a unique key, or similar device to reassign the Software as contemplated by this section, the Contractor will provide such a code, key, or similar device to the State at any time and without a fee or charge, regardless of whether such Software is then under Support. A later section in this Contract governs assignment of the State's license in any Software to a successor in interest.
- 8. Upgrades, Updates, and Corrections.** All portions of the Software, including any corrections, patches, service packs, updates, upgrades, and new versions and releases are the property of Contractor, are part of the Software, and are governed by the State's license in the Software. In no event will the Software or any modification of it be deemed a work made for hire, even if the Contractor has made the modification expressly for the State, unless the parties agree otherwise in writing.

PART II: FEES AND PAYMENT

1. **Fees.** The State will pay to the Contractor the fees for licensing the Software identified in each Schedule under this Contract ("License Fees"), as well as all applicable fees for Support of the Software ("Support Fees") that are identified in any Schedule under this Contract. The License Fee for each license is due and payable on the 30th day after the later of the date on which the applicable license starts (the "Start Date") or the date the State receives a proper invoice for the License Fee at the office designated in the applicable purchase order. A Support Fee will be due payable on the 30th day after the later of the date on which the applicable period of Support (the "Support Period") begins or the date the State receives a proper invoice for the Support Fee at the office designated in the applicable purchase order. The State will not be obligated to acquire or renew Support for any Software unless it issues a purchase order for such.
2. **Taxes.** The State is exempt from all sales, use, excise, property, and similar taxes ("Taxes"). To the extent any Taxes are imposed on the Contractor in connection with this Contract or the Software, the Contractor must pay such Taxes, together with any interest and penalties not properly disputed with the appropriate taxing authority.
3. **Invoices.** The Contractor must submit an original invoice with three copies to the office designated in the purchase order as the "bill to" address. To be a proper invoice, the invoice must include the following information:
 - a. Name and address of the Contractor, as designated in this Contract.
 - b. The Contractor's federal tax identification number, as designated in this Contract.
 - c. The Contractor's invoice remittance address, as designated in this Contract.
 - d. The purchase order number authorizing the delivery of the Software or Support.
 - e. A description of what the Contractor delivered, including, as applicable, the time period, serial number, unit price, quantity, and total price of the Software and Support. If the invoice is for Software with multiple installments of the License Fee, the Contractor also must include the payment number (e.g., 11 of 36).

If an invoice does not meet this section's requirements, or if the Contractor fails to give proper notice of a price increase (see the Pricing section below), the State will send the Contractor written notice. The State will send the notice, along with the improper invoice, to the Contractor's address designated for receipt of purchase orders within 15 days. The notice will contain a description of the defect or impropriety and any additional information the Contractor needs to correct the invoice. If such notification has been sent, the payment due date will be 30 days after the State receives a corrected and proper invoice or the applicable Start Date in the Schedule, whichever is later.

The date the State issues a warrant (the State's equivalent to a check) in payment of an invoice will be considered the date payment is made. Without diminishing the Contractor's right to timely payment, the payment will be overdue only if it is not received by the 30th day after the payment's due date. If the State has not issued payment by then, interest will begin to accrue under Ohio Revised Code ("Code") Section 126.30.

4. **Non-Appropriation of Funds.** The State's funds are contingent on the availability of lawful appropriations by the Ohio General Assembly. If the Ohio General Assembly fails to continue funding for the Fees due hereunder, as determined by the Director of the Department of Administrative Services, this Contract will terminate with respect to the Software or Support affected by the non-appropriation as of the date that the funding expires, and the State will have no further obligation to make any payments. This provision will not alter the rights of the State in any Software or to any Support for which the State already has made payment at the time of the non-appropriation.
5. **OBM Certification.** This Contract is subject to Code Section 126.07. All orders and Schedules under this Contract are void until the Director of the Office of Budget and Management for the State certifies that there is a balance in the appropriation available to pay for the order.
6. **Currency.** The State will make all payments under this Contract by warrant (the State's equivalent to a check) in US Dollars, regardless of the location where the Support is provided or the Software is located.
7. **Disputed Amounts.** The parties will resolve any amounts disputed under this Contract expeditiously and in good faith by having the representatives of the parties who signed this Contract enter into informal discussions. Once resolved through the dispute resolution process, the amount must be paid within 30 days of the resolution. If the State disputes any amount

under this Contract in good faith, the State may withhold its payment pending resolution notwithstanding anything to the contrary elsewhere in this Contract.

8. **Pricing.** Subject to the limitations in this section, the Contractor may modify its pricing for Software or Support through an amendment to this Master Contract. But no such change will apply to any Software or Support that the State orders or for which it receives an invoice before the effective date of the change. Nor will any price increase apply to any Software for which the State and the Contractor have entered in to a Price-hold Addendum; the pricing for such Software will be fixed for the term of the price-hold. Additionally, for seven years from the date of the State's first license of any Software, the State will be entitled to acquire additional licenses for the same Software at a discount that is equal to the discount extended to the State for the initial license of the Software, even though the list price for the Software may have increased. Such licenses will be granted under the terms contained in this Contract via the execution of a Schedule hereto. Thereafter, the State will not be obligated to pay more than the Contractor's then current, published License Fee for any such Software, less the discount described in the following sentence. For all additional licenses acquired more than seven years after the initial license in the same Software, the State still will be entitled to a discount of █% from the then current list price for the license. Support Fees under this Contract may not increase from one Support Period to the next by more than █ percent for any license in the Software. Further, in no event will the Support Fee the State pays be greater than the fee paid by any other customer of the Contractor for the same type license.

PART III: CONTRACT ADMINISTRATION

1. **Term.** Once entered into, the term of this Contract will be from the date the duly authorized representative of the State signed it through June 30, 200█. Expiration of this Contract without renewal will not affect any licenses granted to the State before the expiration. It also will not affect the rights and the responsibilities of the parties with respect to such licenses.
2. **Renewal.** The State may renew this Contract for additional one-year terms, subject to and contingent on the discretionary decision of the Ohio General Assembly to appropriate funds for this Contract in each new biennium. Any such renewal of this Contract also is subject to the satisfactory performance of the Contractor and the needs of the State. The State's failure to renew this Contract will not affect any licenses granted to the State before the expiration. It also will not affect the rights and the responsibilities of the parties with respect to such licenses.
1. **Delivery.** The Contractor must deliver all Software licensed under this Contract to the State F.O.B. at the State's site specified in the applicable Schedule. If the Contractor and the State agree so in writing, the Contractor may deliver any Software licensed under this Contract via electronic transmission over the Internet, provided the Contractor maintains sufficient bandwidth to accommodate delivery in this fashion. Upon physical delivery or successful completion of an electronic transmission, title to any media on which the Software and Documentation are contained and risk of loss of the Software and Documentation will pass to the State.
2. **Schedules.** For all Software that the State licenses, the Contractor and the State will enter into a written Schedule to this Contract, signed by duly authorized representatives of both parties. The Schedule will describe the Software, the license granted in the Software, and the date the license starts ("Start Date"). It also will identify the License Fee for the license granted, the number of physical copies of the media on which the Software is shipped, and the operating system or systems for which the Software is designed. In addition, the Schedule will identify the Support Fee or the percentage of the License Fee used to calculate the Support Fee. All additional Software that the State seeks to license from the Contractor under this Contract, as well as all additional licenses that the State wishes to acquire in Software already licensed under this Contract, will be subject to the Contractor's prior, written approval in each such case. But the Contractor will consent for any Software that is covered by a Price-hold Addendum. The Contractor also must consent for any Software that is or designed to operate in conjunction with Software already acquired by the State under this Contract, if the Software at issue is generally available to other customers and the State is not in material breach of this Contract.
3. **Confidentiality.** Each party may disclose to the other written material or oral or other forms of information that it treats as confidential ("Confidential Information"). Title to any Confidential Information one party delivers to the other will remain with the disclosing party or its licensors. Each party agrees to treat any Confidential Information it receives from the other party as secret, if it is so marked, otherwise identified as such, or when, by its very nature, it deals with matters that, if generally known, would be damaging to the best interest of the other party or its licensors.

The Contractor's Confidential Information may include the Software and Documentation, if the Software and Documentation are the trade secrets of Contractor and marked as such in a reasonable manner. Information of the State that the Contractor must presume to be Confidential Information, regardless of whether it is marked as such, includes any proprietary documentation, materials, flow charts, codes, software, computer instructions, techniques, models, information, diagrams, know-how, data, business records, and business plans. Such also includes files containing personal information about other contractors or employees of the State, such as personnel records, and any material to which an attorney-client, physician-patient, or similar privilege may apply. It also includes any State records that Ohio law excludes from public records disclosure requirements.

Each party agrees not to disclose any Confidential Information of the other to any third parties and to use it solely to meet its obligations under this Contract or as otherwise contemplated under this Contract. Additionally, each party will restrict circulation of Confidential Information within its organization and permit access to it only by people who have a need to know the Confidential Information for the purposes contemplated by this Contract. The receiving party will be liable to the disclosing party for any damages that result from its improper or unauthorized disclosure of any Confidential Information.

Except for Software, Source Code, or Documentation that represents Confidential Information, neither party may incorporate any portion of the other party's Confidential Information into any work or product. With respect to Software, Source Code, or Documentation that is Confidential Information, the foregoing will not apply to any portion of the Software incorporated into Generated Files by the design of the Software when used as intended. Nor will the foregoing apply to portions of the Documentation that the State incorporates into material such as training and reference manuals in accordance with this Contract's applicable provisions. And the foregoing will not apply to any Source Code properly licensed to the State that the State modifies for use within the scope of its license in the applicable Software. Furthermore, the receiving party must cause all of its personnel who have access to any Confidential Information of the other party to execute a confidentiality agreement incorporating the obligations of this section. Additionally, for any director, officer, employee, partner, agent, or subcontractor of the Contractor ("Contractor Personnel") that require access to the State's premises, the State may require an individual non-disclosure agreement incorporating the terms of this section to reinforce the importance of such obligations. The State may bar any Contractor Personnel who refuse to execute such a non-disclosure agreement from entering the State's facilities.

The receiving party's obligation to maintain the secrecy of the Confidential Information will not apply where it:

- a. Was already in the receiving party's possession before disclosure by the other party, and the receiving party obtained it without an obligation of confidence;
- b. Is independently developed by the receiving party;
- c. Except as provided in the next paragraph, is or becomes publicly available without breach of this Contract;
- d. Is rightfully obtained by the receiving party from a third party without an obligation of confidence;
- e. Is disclosed by the receiving party with the written consent of the other party; or
- f. Is released in accordance with a valid order of a court or governmental agency, provided that the receiving party:
 1. Notifies the other party of such order immediately upon receipt of the order; and
 2. Makes a reasonable effort to obtain a protective order from the issuing court or agency limiting disclosure and use of the Confidential Information solely for the purposes intended to be served by the original order of production.

Information that may be available publicly through other sources about people that is personal in nature, such as medical records, addresses, phone numbers, social security numbers, and similar things are nevertheless sensitive in nature and may not be disclosed or used in any manner except as expressly authorized in this Contract. Therefore, the preceding paragraph does not apply, and the Contractor must treat such information as Confidential Information whether it is available elsewhere or not.

Except for properly licensed Software, Source Code, or Documentation that contains Confidential Information, the receiving party must return or destroy all copies of any Confidential Information when it is no longer needed for the receiving party to perform under this Contract, but in any case, no later than on termination of this Contract. For properly licensed Software, Source Code, and Documentation that represents Confidential Information, the State may retain it for so long as the State has a valid license in it.

The receiving party may disclose Confidential Information to its contractors on a need-to-know basis, but only after they have agreed in writing to be obligated to the requirements of this section.

- 4. Escrow.** Except for Software that the Contractor delivers to the State with its Source Code, the Contractor must escrow the Source Code for all Software with Escrow Associates, LLC (the "Agent") under an existing escrow agreement between the State and the Agent. The Agent may release the Source Code to the State on the occurrence of any of the following:
- a. The Contractor ceases business without a successor in interest that assumes all the Contractor's obligations under this Contract;
 - b. The Contractor files or has filed against it a petition in bankruptcy or similar proceeding that is not dismissed within 60 days;
 - c. The Contractor stops supporting any Licensed Software;
 - d. The State terminates this Contract for cause; or
 - e. The Contractor materially or consistently fails to perform its Support obligations in a timely and professional manner.

The release will apply only to the Source Code for Software affected by the triggering event. The Source Code for the Software will be in the form customarily used by programmers to read and modify such Source Code. It also will include all supporting documentation and annotations reasonably required for productive use of the Source Code by a competent programmer skilled in the programming language in which the Source Code is written. The Contractor will deliver to the Agent the Source Code for each version or release of the Software that the State acquires. The State will be solely responsible for paying all escrow fees associated with the escrow agreement, and upon any release of Source Code from escrow, the State will treat the material as Confidential Information and use it solely to maintain the Software for its own internal purposes.

The escrow agreement with the Agent is a supplementary agreement to this Contract, within the meaning of Title 11, Section 365(n), of the United States Code, and neither the Contractor nor its trustee in bankruptcy may interfere with the State's license in the Software or right to access any Source Code by virtue of any bankruptcy proceedings.

From time to time, the State may change the company it uses as the Agent. The State will do so only on written notice to the Contractor and will use only a US-based, well-recognized escrow company.

- 5. Insurance.** During any Support Period for which the State has paid the applicable Support Fee, the Contractor must purchase and maintain the following minimum insurance coverages at its sole expense:
- a. Worker's compensation insurance covering all employees to comply with the laws of the state or states where operations are conducted and employer's liability insurance with a limit of not less than \$1,000,000. If operations are conducted in a monopolistic state, the employer's liability insurance must be provided through a stop gap endorsement.
 - b. General liability insurance covering all operations under this Contract, with a combined single limit of not less than \$1,000,000 each occurrence. The policy must include with its other coverages products and completed operations, broad form property damage, blanket contractual liability coverage, independent contractors (work sublet) and cross liability.
 - c. Automobile liability insurance covering all automotive equipment used in performing under this Contract (whether owned, non-owned, or hired) with a combined single limit of not less than \$1,000,000 each accident.

The policies specified in (A) above must be with companies acceptable to the State and endorsed to waive rights of subrogation against the State. The policies specified in (B) and (C) above must be endorsed to include the State as an additional insured with respect to operations performed under this Contract. All the above policies must be primary to any policies the State purchases or maintains.

The Contractor must furnish the State with an insurance certificate as evidence of the above coverages and requirements. The certificate also must contain the following statement:

"Thirty days' prior written notice will be given to the State of Ohio in the event of cancellation or material change in coverage."

The coverages required represent the State's minimum requirements, and they may not be construed to void or limit the Contractor's indemnity obligations under this Contract.

6. **Excusable Delay.** Neither party will be liable for any delay in its performance under this Contract that arises from causes beyond its control and without its negligence or fault. The delayed party must notify the other promptly of any material delay in performance and must specify in writing the proposed revised performance date as soon as practicable after notice of delay. For any such excusable delay, the date of performance or delivery will be extended for a period equal to the time lost by reason of the excusable delay. The delayed party must also describe the cause of the delay and what steps it is taking or will take to remove the cause. The delayed party may not rely on a claim of excusable delay to avoid liability for a delay if the party has not taken commercially reasonable steps to mitigate or avoid the delay.
7. **Network Security.** The Contractor may not connect to the State's internal computer network without the prior, written consent of the State, which the State will reasonably provide if necessary or appropriate for the Contractor to provide Support. But as a condition of connecting to the State's computer network, the Contractor must secure its own connected systems in a manner consistent with the State's then-current security policies, which the State will provide to the Contractor on request. The State may audit the Contractor's security measures in effect on any such connected systems without notice. The State also may terminate the Contractor's network connections immediately should the State determine that the Contractor's security measures are not consistent with the State's policies or are otherwise inadequate given the nature of the connection or the data or systems to which the Contractor may have access.
8. **Termination.** This Contract will continue in full force and effect unless terminated according to the terms of this Contract. Either party may terminate this Contract at any time on 30 days prior written notice to the other party or in the event of any default by the other party, which the defaulting party fails to cure within 30 days after written notice. Either party also may terminate this Contract upon any sale of a majority interest in the other party to a third party or if a receiver, liquidator, trustee, or like official is appointed for the other party or any substantial portion of its property. Additionally, either party may terminate this Contract if the other party files or consents to any petition in bankruptcy or other insolvency proceedings or makes any assignment for the benefit of its creditors. Termination of this Contract will not extinguish any of the rights and obligations of a party under this Contract that, by the terms of that right or obligation, continue after the date of termination. And no termination will extinguish any of the rights or obligations that, by their very nature, must continue after termination to give full effect to the purpose of those rights and obligations. Termination of this Contract will not entitle the State to any refund of any License or Support Fee, nor will it extinguish any license or price-hold the State has acquired in any Software before the date of termination, except as provided in the next paragraph.

With or without terminating this Contract in accordance with the paragraph above, on 30 days prior written notice to the State, the Contractor may terminate any license in any Software granted to the State under this Contract. But the Contractor may do so only if the State materially breaches any terms of this Contract with respect to the license or licenses the Contractor seeks to terminate. Such termination notice will be effective 30 days after the State receives it, provided that the State does not cure its breach of this Contract within those 30 days. All Software licenses not affected by the State's breach will remain in place and unaffected by the termination. Any such termination will be in addition to any other remedies the Contractor may have under this Contract for the State's breach.

PART IV: WARRANTIES, LIABILITIES, AND REMEDIES

1. **Warranties.** The Contractor warrants for one year from the Start Date that the Software will be free of material defects and will function in substantial conformance to its Documentation when used in the operating environment for which it is intended and in accordance with its Documentation. The Contractor also warrants that the Software will be merchantable and fit for the particular purpose for which the State acquired it. Moreover, the Contractor warrants that the Software will be free of viruses at the time of its delivery under this Contract. Additionally, the Contractor warrants that all media on which the Software is delivered to the State will be free from defects for one year after delivery to the State.
2. **Warranty Exclusions.** The Contractor's warranties with respect to the Software's performance in accordance with its Documentation, its fitness, and its merchantability do not cover any error caused by any change to the Software made by any party other than the Contractor and not at the Contractor's request or otherwise in accordance with this Contract or the Software's Documentation. It also does not cover damage to the Software caused by accident, neglect, or misuse of the Software by any party other than the Contractor or anyone else acting on the Contractor's behalf. Further, the State's use of

the Software in an operating environment or in conjunction with a hardware platform that does not meet the Contractor's minimum specifications, as set out in the applicable Schedule or Documentation, may result in errors or failures that are outside the scope of the Contractor's warranty. Additionally, use of the Software in combination with other software, hardware, firmware, data, or technology not licensed or approved by the Contractor in writing may cause failures that also are outside the scope of the Contractor's warranty, provided that the Software is not designed or intended for use with such items.

THE EXPRESS WARRANTIES IN THIS CONTRACT ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED.

3. **Remedies.** The Contractor's entire liability and the State's sole remedy for any breach of the above media warranty is limited to requiring the Contractor to replace the defective media expeditiously and without charge to the State. Furthermore, the Contractor's entire liability and the State's sole remedy for any breach of the above warranties of fitness, merchantability, and against defects in the Software will be limited to the Contractor expeditiously correcting the defect or issue and providing the State with a patch containing the correction. If within the times given below, the Contractor does not provide a replacement copy for defective media or Software containing a virus or fails to deliver a fix for a defect in the Software or a correction solving a fitness or merchantability issue, the Contractor must refund all License Fees paid by the State for the affected Software. In the case of defective media or Software containing a virus, the Contractor will have 7 days after written notice to provide a replacement. In the case of other defects, merchantability issues, or fitness issues, the Contractor will have 15 days after written notice to deliver a correction that resolves the problem. Upon the Contractor's issuance of a refund, the State will return or destroy all copies of the Software and, upon the Contractor's request, certify in writing that it has done so.

THE FOREGOING REMEDIES ARE THE STATE'S EXCLUSIVE REMEDIES FOR THE WARRANTIES PROVIDED ABOVE.

4. **Indemnity.** The Contractor will indemnify the State for all direct damages to the State caused by the negligence or willful misconduct of the Contractor. The Contractor also agrees to indemnify, defend, and hold the State harmless from and against all claims, liabilities, demands, losses, expenses (including by way of example only, court costs and experts' and attorneys' fees), and causes of action of every kind and character in favor of any third party caused or arising out of the activities or performance of the Contractor or the Contractor's Personnel. The foregoing obligations do not apply to the extent caused by the State's actual negligence or willful misconduct. Any defense of the State requires and is subject to the approval and consent of the Ohio Attorney General.
5. **Infringement.** The Contractor will release, protect, indemnify, defend, and hold the State harmless from and against any claims of infringement by any third parties based on the Software, Source Code, or Documentation licensed under this Contract. Any defense of the State requires and is subject to the approval and consent of the Ohio Attorney General and will be at the Contractor's sole cost and expense. Further, the Contractor will indemnify the State for any liability resulting from any such claims, demands, or suits, as well as hold the State harmless for the Contractor's liability, losses, and damages resulting from such. This obligation of defense and indemnification will not apply where the State has modified or misused the Software, Source Code, or Documentation, and the claim or the suit is based on the modification or misuse. The Contractor's obligation to hold the State harmless also will not apply if the claim, suit, liability, or damage arises out of the State's misuse of the Software, Source Code, or Documentation. The State agrees to give the Contractor notice of any such claim as soon as reasonably practicable and to allow the Contractor to control the defense of the any such claim, upon consultation with and the approval of the Office of the State's Attorney General.

If a successful claim of infringement is made, or if the Contractor reasonably believes that an infringement or similar claim that is pending actually may succeed, the Contractor will do one of the following four things as soon as reasonably possible to avoid or minimize any interruption of the State's business:

- (a) Modify the offending Software, Source Code, or Documentation so that it is no longer infringing;
- (b) Replace the offending Software, Source Code, or Documentation with an equivalent or better item;
- (c) Acquire the right for the State to use the infringing Software, Source Code, or Documentation as it was intended for the State to use under this Contract; or

- (d) Remove the infringing Software, Source Code, or Documentation and refund the amount the State paid for the Software and the amount of any other Software or item that requires the availability of the infringing Software, Source Code, or Documentation for it to be useful to the State.

6. LIMITATION OF LIABILITY. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS CONTRACT, NEITHER PARTY WILL BE LIABLE FOR ANY DAMAGES OTHER THAN DIRECT DAMAGES. THIS EXCLUSION OF DAMAGES INCLUDES, BY WAY OF EXAMPLE ONLY, INDIRECT, INCIDENTAL, EXEMPLARY, AND CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFITS, EVEN IF THE PARTY KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES. ADDITIONALLY, NEITHER PARTY WILL BE LIABLE FOR DIRECT DAMAGES IN EXCESS OF TWO TIMES THE TOTAL LICENSE AND SUPPORT FEES PAID UNDER THIS CONTRACT. BUT THIS LIMITATION OF LIABILITY WILL NOT LIMIT THE CONTRACTOR'S OBLIGATION TO INDEMNIFY THE STATE UNDER THE INDEMNITY AND INFRINGEMENT PROVISIONS OF THIS CONTRACT FOR DIRECT DAMAGES FROM THE CONTRACTOR'S NEGLIGENCE OR WILLFUL MISCONDUCT. THIS LIMITATION OF LIABILITY ALSO WILL NOT LIMIT THE CONTRACTOR'S OBLIGATIONS UNDER THE INDEMNITY AND INFRINGEMENT SECTIONS OF THIS CONTRACT FOR CLAIMS MADE AGAINST THE STATE FOR INFRINGEMENT OR FOR NEGLIGENCE OR WILLFUL MISCONDUCT OF THE CONTRACTOR, REGARDLESS OF THE NATURE OF THE DAMAGES SOUGHT FOR ANY SUCH CLAIM. THIS LIMITATION OF LIABILITY WILL SURVIVE TERMINATION OF THIS CONTRACT.

PART V: SOFTWARE SUPPORT

- 1. Support.** Each Support Period will be one year in duration, with the first Support Period beginning on the [\[first anniversary of the\]](#) Start Date for the applicable license. Subsequent Support Periods will begin on each anniversary of the Start Date of the applicable license (the "Anniversary Date"). During each Support Period for which the State has paid the applicable Support Fee, the Contractor will provide the State with telephonic assistance and advice for using the Software. The Contractor also will provide remote troubleshooting and problem resolution by developing and providing fixes or patches for errors in the Software. As part of the annual Support that the Contractor provides in exchange for the applicable Support Fee, the Contractor also will deliver to the State all service packs for the Software, as well as all updates and new releases and versions of the Software. The annual Support Fee will be calculated as a percentage of the then current License Fee for the applicable Software license. The percentage used to calculate the Support Fee will be provided in the applicable Schedule governing the Software license. The manner in which the Contractor provides Support will be governed by the Contractor's policies and programs described in the applicable Software Documentation or other materials that the Contractor uses to notify its customers generally of such policies. But regardless of the Contractor's policies and programs, unless otherwise agreed in the applicable Schedule, in all cases such Support must comply with the requirements of this Contract. And the Contractor must provide the Support in a competent, professional, and timely manner.
- 2. Minimum Availability.** Support for any Software licensed under this Contract must be available for a minimum of seven years from the Start Date of the license. Thereafter, for so long as the Contractor makes Support available to other customers, the State will be entitled to participate in that Support under the terms of this Contract and in exchange for the Support Fee identified in the applicable Schedule.
- 3. Reductions.** The State may acquire licenses that are based on the number of users, nodes, computers, processors, instances of the Software or other counts of objects covered by a license ("Objects"). In any such cases, the State may request that the Support Fees for a Support Period be calculated based on fewer Objects than included in the previous Support Period, with an appropriate adjustment in the applicable Support Fee. But patches, services packs, updates, and new versions or releases of the Software made available to the State under this Contract for such Software may be applied only to the number of Objects included in the then current Support Period. Nevertheless, the State may continue using any version of the Software that is available at the time Support was reduced on or for the unsupported Objects, provided that such is physically possible based on the Software's configuration. In any case where supported and unsupported Objects cannot be treated separately (e.g., a single server license supporting multiple concurrent connection), the State must limit its use of the Software to the supported number of Objects to take advantage of its reduction rights under this section.
- 4. Lapse and Reinstatement.** If the State opts to not renew Support for some or all of the Software licensed by the State under this Contract, the State may subsequently purchase Support for such Software. But it may do so only if the Contractor continues to make it generally available to its customers when the State makes the decision to reacquire Support. Further, any such Support will require, in addition to the Support Fee for the then current Support Period, the

payment of the immediately preceding year's Support Fees for that Software, or the applicable instances of it. Notwithstanding anything to the contrary in this Contract, no interest will be due on the Support Fees for the past Support Periods. In conjunction with the reinstatement of Support, the State will be entitled to any patches, service packs, upgrades, and new releases, and versions of the Software issued during the unsupported interval.

- 5. Support Parameters.** The State may initiate Support requests for problems it encounters with the Software by telephone, email, Internet, or fax, and the Contractor must maintain lines of communication that support all four forms of communication. The Contractor must make Support available from at least 7:00 AM to 6:00 PM in each time zone where the Contractor maintains a Support center, and it must do so by staffing its Support function with an adequate number of qualified personnel to handle its traditional volume of calls. Further, the Contractor must maintain at least one Support center in North America with adequate English-speaking Support personnel. Support must be available during the business hours identified above from at least Monday through Friday throughout the Support Period, except for customary holidays. Further, subject to the State's obligation to pay the applicable Support Fees, the Contractor must support both the most recent major release of the Software as well as the immediately preceding major release of Software. The State's technical staff may contact any Support center that the Contractor maintains, and they may choose to do so based on convenience, proximity, service hours, languages spoken, or otherwise.
- 6. Incident Classification.** The Contractor must classify and respond to Support calls by the underlying problem's effect on the State. In this regard, the Contractor may classify the underlying problem as critical, urgent, or routine. The guidelines for determining the severity of a problem and the appropriate classification of, and response to, it are described below.

The Contractor must designate a problem as "critical" if the Software is functionally inoperable, the problem prevents the Software from being used in production mode or there is significant potential for data integrity problems. This classification assumes there is no existing patch for the problem. The Contractor must classify a problem as "urgent" if the underlying problem significantly degrades the performance of the Software or materially restricts the State's use of the Software in a production mode. A problem also will be considered urgent if a commonly used feature often generates application errors, causes the Software to freeze, locks up the computer on which the Software is running, or otherwise routinely does not work as intended. Classification of a problem as urgent rather than critical assumes that the State still can conduct business with the Software. As with the critical classification, the urgent classification assumes there is no existing patch or acceptable workaround procedure for the problem. Finally, the Contractor may classify a Support call as "routine" if the underlying problem is a question on end use or configuration of the Software. It also may be classified as routine when the problem does not materially restrict the State's use of the Software in its production environment, such as when a feature or combination of features generates minor or rare errors. Also, if any problem that otherwise should be classified as critical or urgent can be solved either by a known workaround or an existing patch, the problem may be treated as routine.

The Contractor must apply the above classifications in good faith to each call for Support, and the Contractor must give due consideration to any request by the State to reclassify a problem, taking into account the State's unique business and technical environments and any special needs it may have.

- 7. Incident Response.** The Contractor must respond to critical problems by ensuring that appropriate managerial personnel are made aware of the problem and that they actively track and expedite a resolution. The Contractor must assign Support or development personnel at the appropriate level to the problem, and those personnel must prepare a work plan for the problem's expeditious resolution. The work plan must assume that the Contractor's appropriate staff will work without material interruption until the problem is resolved properly. The Contractor's personnel must maintain daily contact with the State's technical staff to keep the State abreast of efforts being made to solve the problem. The Contractor also must provide the State's technical staff with direct access to the Contractor's Support personnel and product development personnel, if appropriate, who are assigned to the problem. If the resolution of the problem requires a patch, the Contractor will ship the patch electronically as soon as the patch is available.

The Contractor must respond to urgent problems by having its product development and Support personnel work in concert to develop a fix or a workaround. The Contractor's Support personnel must maintain regular contact with the State to keep its technical staff abreast of progress toward a resolution of the problem. The Contractor's Support staff must include the problem in regular status reports to the Contractor's management team. And the Contractor's Support staff must provide the Software patch or workaround procedure as soon as it is available.

The Contractor must respond to routine problems by providing the State with a patch or workaround on a priority basis if the problem is one for which an existing patch or workaround already exists. For newly identified problems falling into this classification, the Contractor's Support personnel must generate a problem report, and the appropriate development or Support personnel then must prioritize the problem in relation to other outstanding product issues. The assigned priority then will govern the problem solving or developmental work needed to address the problem and the schedule for delivering a solution. For routine calls that involve end usage and configuration issues rather than bugs or other technical problems, the Contractor's first or second level Support personnel must provide the State's technical staff with telephonic assistance on a non-priority basis.

- 8. Response Times.** The maximum time that the Contractor takes to respond initially to a Support request may vary based upon the classification of the request. During normal hours of operation for the Contractor's Support function, the Contractor's response time for a critical Support request will be less than one hour. The Contractor's response time for an urgent request must be less than two hours during operating hours. And the Contractor's response time for a routine Support request must be less than four hours during normal operating hours.
- 9. Escalation Process.** Any Support call that is not resolved must be escalated to the Contractor's management under the following parameters. Unresolved problems that are classified as critical must be escalated to the Contractor's Support manager within four hours and to the director level after one day. If a critical problem is not resolved within three days, it must escalate to the corporate officer level and then to the CEO level after five days. The Contractor's Support staff will escalate unresolved urgent problems to its Support manager within three days, to the director level after seven days, and to the corporate officer level after 14 days.
- 10. State Obligations.** To facilitate the Contractor meeting its Support obligations, the State must provide the Contractor with the information reasonably necessary to determine the proper classification of the underlying problem. It also must assist the Contractor as reasonably necessary for the Contractor's Support personnel to isolate and diagnose the source of the problem. Additionally, to assist the Contractor's tracking of Support calls and the resolution of Support issues, the State must make a reasonable effort to use any ticket or incident number that the Contractor assigns to a particular incident in each communication with the Contractor. The State also must install and implement the most recently available Software updates, including service packs and patches, if the Contractor reasonably believes it to be necessary to achieve a satisfactory resolution of a problem.
- 11. Limitations.** The Contractor is not responsible for the resolution of problems caused by the State's use of the Software on hardware that does not meet the minimum specifications set out in the Software's Documentation. The Contractor also is not responsible for resolving problems caused by third party software not approved by the Contractor for use with the Software. Additionally, the Contractor need not resolve problems caused by unauthorized modifications to the Software.
- 12. Updates.** The Contractor must make all Software updates and service packs, as well as new releases and new versions of it, available to the State at no additional charge and as part of its Software Support. The Contractor will notify the State of the availability of any Software updates and new versions and releases on at least a quarterly basis. The Contractor may post patches and updates on the Internet rather than delivering them to the State on physical media. The Contractor must provide Support, including upgrades, service packs, new releases, and new versions, as appropriate, to keep current with changes in the operating systems and critical applications with which the Software is designed to run for a minimum of seven years from the date the Software is licensed to the State. For purposes of the last sentence, a "critical application" is any computer program that the Software is specifically designed to work in conjunction with. An example would be Software that requires an Oracle database engine to function. The Oracle database engine would be a critical application for that Software.
- 13. Follow-on Software.** If the Contractor stops supporting or upgrading any Software but then offers or later releases another product that performs substantially similar functions, the State will be entitled to convert its license for the unsupported Software to a license in the new Software. Any such conversion will be without charge to the State, provided only that the State has paid all applicable Support Fees for the unsupported Software since first acquiring it through the time when the Contractor terminated Support.
- 14. Functionality Migration.** If the Contractor eliminates functionality material to the use or performance of any Software licensed under this Contract ("Original Software") and then includes the functionality in a new product ("New Software"), the Contractor must grant the State a license to use the migrated functionality of such New Software, but not to any other

functionality in the New Software, if (i) the State is a subscriber to Support for the Original Software at the time the New Software is available and is entitled to receive subsequent releases of the Original Software, and (ii) the New Software is available for the same operating system or technical environment as the Original Software. The license granted to the State for the New Software will be (i) pursuant to the terms and conditions of this Contract and the applicable Schedule governing the Original Software, (ii) subject to the use restrictions and other limitations for the Original Software in this Contract and applicable Schedule, (iii) granted without the payment of additional fees other than fees for Support which would otherwise be due for the Original Software.

15. Support Location. For each Schedule under this Contract, the Contractor must disclose the location(s) where it will perform all Support, the location(s) where any State data applicable to this Contract will be maintained or made available, and the principal place of business for the Contractor and all its subcontractors that may perform Support under this Contract. While performing under this Contract, the Contractor may not change the location(s) where Support is performed or change the location(s) where it maintains or makes the State's data available to a location outside the country of the original location(s) without prior, written approval of the State, which the State is not obligated to provide. Further, each of the Contractor's subcontractors that perform Support under this Contract must agree in writing to and be bound by this and all other provisions of this Contract that inure to the benefit of the State.

PART VI: CONSTRUCTION

- 1. Entire Document.** This Contract will apply to all Software that the State acquires from the Contractor during the term of this Contract, unless the parties expressly agree otherwise in a written document signed by the duly authorized representatives of the parties. Furthermore, this Contract, along with the Schedules and Addenda entered into under it, is the entire agreement between the parties with respect to its subject matter, and it supersedes any previous statements or agreements, whether oral or written.
- 2. Additional Documents.** All terms and conditions contained in any document not signed by both parties, such as a purchase order, invoice, or a click-wrap license, are excluded from this Contract and will have no legal effect.
- 3. Binding Effect.** Subject to the limitations on assignment provided elsewhere in this Contract, this Contract will be binding upon and inure to the benefit of the respective successors and assigns of the State and the Contractor.
- 4. Amendments.** No amendment or modification of any provision of this Contract will be effective unless it is in writing and signed by both parties.
- 5. Waiver.** The failure of either party at any time to demand strict performance by the other party of any of the terms of this Contract will not be construed as a waiver or a relinquishment of any such term. Either party may at any later time demand strict and complete performance by the other party of such a term.
- 6. Severability.** If any provision of this Contract is held by a court of competent jurisdiction to be contrary to applicable law, the remaining provisions of this Contract will remain in full force and effect to the extent that such does not create an absurdity or material injustice.
- 7. Plain Meaning.** This Contract must be construed in accordance with the plain meaning of its language and neither for nor against the drafting party.
- 8. Headings.** The headings used herein are for the sole sake of convenience and may not be used to interpret any section.
- 9. Notices.** For any notice under this Contract to be effective, it must be made in writing and sent to the address of the appropriate party first appearing above, unless that party has notified the other party, in accordance with the provisions of this section, of a new mailing address for notices.
- 10. Continuing Obligations.** To the extent necessary to carry out their purpose, the terms of this Contract will survive the termination of this Contract. Some such provisions that require survival to carry out their full intent include the indemnity, warranty, and limitation of liability provisions. Other examples include the confidentiality section, the escrow section, and the grant of Software licenses. Additional provisions include the Support obligations for existing licenses, and the Pricing section with respect to related Software licenses and caps on increases in Support for existing licenses.

- 11. Counterparts.** This Contract may be executed simultaneously in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

PART VII: LAW AND COURTS

- 1. Compliance with Law.** THE PARTIES WILL COMPLY WITH ALL APPLICABLE FEDERAL, STATE, AND LOCAL LAWS IN ALL ENDEAVORS UNDER THIS CONTRACT.
- 2. Export Restrictions.** The State may not directly or indirectly export or transmit the Software or Documentation to any country in violation of any applicable US regulation, order, or statute.
- 3. UCITA.** The Uniform Computer Information Transactions Act ("UCITA") will not apply to this Contract. To the extent that UCITA, or any version of it that is adopted by any jurisdiction in any form, is applicable, the parties agree to opt out of it pursuant to the opt-out provisions contained therein. Likewise, the United Nations Convention on Contracts for the International Sale of Goods will not apply to this Contract.
- 4. Injunctive RELIEF.** NOTHING IN THIS CONTRACT IS INTENDED TO LIMIT EITHER PARTY'S RIGHT TO INJUNCTIVE RELIEF IF SUCH IS NECESSARY TO PROTECT ITS INTERESTS OR TO KEEP IT WHOLE.
- 5. Governing LAW.** THE LAWS OF OHIO WILL GOVERN THIS CONTRACT, EXCLUDING ITS LAWS DEALING WITH CONFLICT OF LAW, AND VENUE FOR ANY DISPUTES WILL LIE EXCLUSIVELY WITH THE APPROPRIATE COURT IN FRANKLIN COUNTY, OHIO.

PART VIII: MISCELLANEOUS

- 1. Conflict of Interest.** No Contractor Personnel may voluntarily acquire any personal interest that conflicts with their responsibilities under this Contract. Further, the Contractor will not knowingly permit any Ohio public official or public employee who has any responsibilities related to this Contract to acquire any interest in anything or any entity under the Contractor's control, if such an interest would conflict with that official's or employee's duties. The Contractor will disclose to the State knowledge of any such person who acquires an incompatible or conflicting personal interest related to this Contract. And the Contractor will take steps to ensure that such a person does not participate in any action affecting the work under this Contract. But this will not apply when the State has determined, in light of the personal interest disclosed, that the person's participation in any such action would not be contrary to the public interest.
- 2. Assignment.** Neither party may assign this Contract without the prior, written consent of the other party, which the other party will not withhold unreasonably. Any such assignment, unless otherwise agreed in writing, is contingent on the assignee assuming all the assignor's rights and obligations under this Contract.
- 3. Independent Status.** Each party is an independent contractor. Neither party will have any authority to bind the other unless expressly agreed in writing. Nothing in this Contract may be construed to create a partnership, agency, or employer-employee relationship between the Contractor and the State, and in no event will the Contractor and the State be deemed joint employers.
- 4. Employees.** All Contractor Personnel are employees or contractors of the Contractor, and none are or will be deemed employees or contractors of the State. No Contractor Personnel will be entitled to participate in, claim benefits under, or become an "eligible employee" for purposes of any employee benefit plan of the State by reason of the subject matter of this Contract or work performed under this Contract. The Contractor must pay all federal, state, local, and other applicable payroll taxes and make the required contributions, withholdings, and deductions imposed or assessed under any provision of any law, rule, or regulation and measured by wages, salaries, or other remuneration paid by or which may be due from the Contractor to the Contractor Personnel. The Contractor will indemnify, defend, and hold the State harmless from and against all claims, losses, liability, demands, fines, and expenses (including court costs, defense costs, and redeemable attorney fees) arising out of or relating to such taxes, withholdings, deductions, and contributions with respect to the Contractor Personnel. The Contractor's indemnity and defense obligations also apply to any claim or assertion of tax liability made by or on behalf of any Contractor Personnel or governmental agency on the basis that any Contractor Personnel are employees or contractors of the State, that the State is the "joint employer" or "co-employer" of any Contractor Personnel, or that any Contractor Personnel are entitled to any employee benefit offered only to eligible regular

fulltime and regular part-time employees of the State. Notwithstanding the foregoing, any defense of the State requires and is subject to the approval and consent of the Ohio Attorney General.

5. **Publicity.** The Contractor will not advertise or publicize that it is doing business with the State or use this Contract as a marketing or sales tool, unless otherwise agreed to in writing by the State.
6. **Cancellation.** The State may cancel this Contract without cause and on 30 days written notice or at any time if the General Assembly or any other funding source fails to continue funding. But in the case of any license of Software entered before the effective date of the cancellation, the State will have the right to continue such license after termination on the terms contained in this Contract.
7. **Deliveries.** All deliveries will be F.O.B. destination.
8. **EEO.** The Contractor must comply with all Ohio laws, rules, and Executive Orders of the Governor of Ohio regarding equal employment opportunity, including Ohio Revised Code Section 125.111.
9. **Drug Free Workplace.** The Contractor must comply with all applicable Ohio laws regarding maintaining a drug-free workplace. The Contractor will make a good faith effort to ensure that all its employees, while working on the State's property, do not possess and will not be under influence of illegal drugs or alcohol or abuse prescription drugs.
10. **Ohio Ethics Law and Limits on Political Contributions.** The Contractor certifies that it is currently in compliance and will continue to adhere to the requirements of the Ohio ethics laws.

The Contractor also certifies that all applicable parties listed in Ohio Revised Code Section 3517.13 are in full compliance with Ohio Revised Code Section 3517.13.

11. **Travel Expenses.** Any travel or living expenses required by the Contractor to do its obligations under this Contract will be at the Contractor's expense. The State will pay for any additional travel that it requests only with prior, written approval. All additional travel and living expenses that the State requests in addition to what this Contract requires the Contractor to provide at the Contractor's expense will be paid in accordance with the Office of Budget and Management's Travel Rules in Section 126-1-02 of the Ohio Administrative Code.
12. **Order of Priority.** If there is any inconsistency or conflict between this Contract and any provision of anything incorporated by reference, this Contract will prevail.
13. **Record Keeping.** The Contractor must keep all financial records in accordance with generally accepted accounting principles consistently applied. The Contractor will file documentation to support each action under this Contract in a manner allowing it to be readily located. And the Contractor will keep all related records and documents at its principal place of business.
14. **Audits.** During the term of this Contract and for three years after the payment of any fee to the Contractor under this Contract, on reasonable notice and during customary business hours, the State may audit the Contractor's records and other materials that relate to this Contract. This audit right will also apply to the State's duly authorized representatives and any person or organization providing the State with financial support related to this Contract.

If any audit reveals any misrepresentation or any overcharge to the State, the State will be entitled to recover damages, as well as the cost of the audit.

16. **Ohio Revised Code Section 9.24.** Contractor warrants that it is not subject to an unresolved finding for recovery under Ohio Revised Code Section 9.24. If this warranty was false on the date the parties signed this Contract, the Contract is void. Further, if the Contractor is subject to an unresolved finding of the Auditor of State under Revised Code Section 9.24 on any date on which the parties renew or extend this Contract, the renewal or extension will be void.

17. Security & Safety Rules. When using or possessing State data or accessing State networks and systems, the Contractor must comply with all applicable State rules, policies, and regulations regarding data security and integrity. And when on any property owned or controlled by the State, the Contractor must comply with all security and safety rules, regulations, and policies applicable to people on those premises.

TO SHOW THEIR AGREEMENT, the parties have executed this Contract as of the dates appearing below.

FOR THE CONTRACTOR:

**FOR STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES
INVESTMENT AND GOVERNANCE DIVISION**

By:

By:

Name:

Name: «OIT_DIRECTOR»

Title:

Title: «OIT_DIRECTOR_TITLE»

Date:

Date:

PRICE HOLD ADDENDUM NUMBER [0000000.00]

This license addendum ("Addendum") is between the State of Ohio (the "State"), through the Department of Administrative Services, Investment and Governance Division, with offices at 30 East Broad Street, Columbus, Ohio 43215, and *[Company name of the Contractor]* (the "Contractor"), with offices at *[street address, city, state and zip code for the Contractor]*, and is entered into under that certain Master Contract for Software Licensing between the State and the Contractor that is dated *[Date of the Contract]* and numbered [0000000] (the "Contract").

This Addendum does not represent a license of Software. Instead, it provides a price-hold for the Software listed below and permits the State to acquire the Software in exchange for the License Fees and Support Fees listed below. The State is not obligated to license any of the Software listed below, but if it does at any time during the period starting on the date this Addendum is signed and _____ thereafter (Price-hold Period), the State will be entitled to acquire such Software for the Fees specified below. The State may acquire such Software by executing a standard Schedule in the form of that attached to the Contract. The State has the right to acquire some or all of the Software listed below and to acquire the Software in increments during the Price-hold Period using multiple Schedules. Nothing in the Addendum commits the State to any volume of licensing or total expenditure. The State may acquire some, all, or none of the Software in such volumes as it determines during the Price Hold Period.

Software	Copies Delivered	License Type	# of Licenses (E.g., Users)	List License Price	Discount	Actual License Fee*	Support Percentage†	Operating System(s)	Start Date

*The License Fee [] does [] does not include the Support Fee for the first Support Period for each Software license identified above.

† The Support percentage is based on [] list price [] discounted price. Any increase in annual maintenance must be equal to or less than the annual increase in the list price of the Software and is subject to the caps specified in the Contract.

License Descriptions

License Type	Description of License
<i>[Insert License Type]</i>	<i>[Insert License Description]</i>
<i>[Insert License Type]</i>	<i>[Insert License Description]</i>
<i>[Insert License Type]</i>	<i>[Insert License Description]</i>
<i>[Insert License Type]</i>	<i>[Insert License Description]</i>

TO SHOW THEIR AGREEMENT, the parties have executed this Addendum as of the dates appearing below.

FOR THE CONTRACTOR:

**FOR STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES**

By:

By:

Name:

Name: «DIRECTOR»

Title:

Title: Director

Date:

Date:

LICENSE SCHEDULE NUMBER [0000000.00]

This license schedule ("Schedule") is between the State of Ohio (the "State"), through the Department of Administrative Services, Investment and Governance Division, with offices at 30 East Broad Street, Columbus, Ohio 43215 for the beneficial use of [agency], and [Company name of the Contractor] (the "Contractor"), with offices at [street address, city, state and zip code for the Contractor], and is entered into under that certain Master Contract for Software Licensing between the State and the Contractor that is dated [Date of the Contract] and numbered [0000000] (the "Contract").

Granted Licenses

Software	Copies Delivered	License Type	# of Licenses (E.g., Users)	List License Price	Discount	Actual License Fee*	Support Percentage†	Operating System(s)	Start Date

*The License Fee [] does [] does not include the Support Fee for the first Support Period for each Software license identified above.

† The Support percentage is based on [] list price [] discounted price. Any increase in annual maintenance must be equal to or less than the annual increase in the list price of the Software and is subject to the caps specified in the Contract.

License Descriptions

License Type	Description of License
[Insert License Type]	[Insert License Description]
[Insert License Type]	[Insert License Description]
[Insert License Type]	[Insert License Description]

Location Information

<i>Service Types</i>	Locations
Locations where the Contractor will provide Support:	<i>[Insert Locations]</i>
Locations where the Contractor will provide services or keep the State's data or from which the data may be accessed:	<i>[Insert Locations]</i>
Locations where any subcontractor will provide support or keep the State's data or from which the data may be accessed:	<i>[Insert Locations]</i>

TO SHOW THEIR AGREEMENT, the parties have executed this Schedule as of the dates appearing below.

FOR THE CONTRACTOR:

**FOR STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES**

By:

By:

Name:

Name: «DIRECTOR»

Title:

Title: Director

Date:

Date:

ATTACHMENT TEN
STANDARD AFFIRMATION AND DISCLOSURE FORM, INCLUDING EXECUTIVE ORDER 2011-12K



JOHN R. KASICH
GOVERNOR
STATE OF OHIO

Executive Order 2011-12K

Governing the Expenditure
of Public Funds for Offshore Services

WHEREAS, State of Ohio officials and employees must remain passionately focused on initiatives that will create and retain jobs in the United States in general and in Ohio in particular, and must do so especially during Ohio's continuing efforts to recover from the recent recession.

WHEREAS, allowing public funds to pay for services provided offshore has the potential to undermine economic development objectives in Ohio.

WHEREAS, the expenditure of public funds for services provided offshore may deprive Ohioans and other Americans of critical employment opportunities and may also undermine efforts to attract businesses to Ohio and retain them in Ohio, initiatives in which this State has invested heavily.

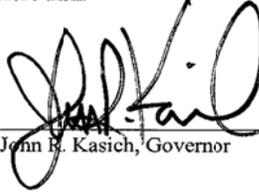
NOW THEREFORE, I, John R. Kasich, Governor of the State of Ohio, by virtue of the authority vested in me by the Constitution and the laws of this State, do hereby order and direct that:

1. No State Cabinet Agency, Board or Commission ("Executive Agency") shall enter into any contract which uses any public funds within its control to purchase services which will be provided outside the United States. This Executive Order applies to all purchases of services made directly by an Executive Agency and services provided by subcontractors of those providing services purchased by an Executive Agency.
2. This Executive Order will be personally provided, by the Director, Chair or other chief executive official of each Executive Agency, to the Chief Procurement Officer or other individual at that entity responsible for contracts for services.
3. The Department of Administrative Services, through Ohio's Chief Procurement Officer, shall have in place, by July 1, 2011, procedures to ensure all of the following:
 - a. All agency procurements officers (APOs), or the person with equivalent duties at each Executive Agency, have standard language in all Executive Agency contracts which:
 - i. Reflect this Order's prohibition on the purchase of offshore services.

- ii. Require service providers or prospective service providers to:
 - 1. Affirm that they understand and will abide by the requirements of this Order.
 - 2. Disclose the location(s) where all services will be performed by any contractor or subcontractor.
 - 3. Disclose the locations(s) where any state data associated with any of the services they are providing, or seek to provide, will be accessed, tested, maintained, backed-up or stored.
 - 4. Disclose any shift in the location of any services being provided by the contractor or any subcontractor.
 - 5. Disclose the principal location of business for the contractor and all subcontractors who are supplying services to the state under the proposed contracts.
 - b. All APOs confirm that all quotations, statements of work, and other such proposals for services affirm this Order's prohibition on the purchase of offshore services and include all of this Order's disclosure requirements.
 - i. Any such proposal for services lacking the affirmation and disclosure requirements of this Order will not be considered.
 - ii. Any such proposal where the performance of services is proposed to be provided at a location outside the United States by the contractor or any subcontractor will not be considered.
 - c. All procurement manuals, directive, policies, and procedures reflect the requirements of this Order.
 - d. All APOs have adequate training which addresses the terms of this Order.
4. Nothing in this Order is intended to contradict any state or federal law. In addition, this Order does not apply to:
- a. Services necessary to support the efforts of the Department of Development to attract jobs and business to the state of Ohio;
 - b. Academic, instructional, educational, research or other services necessary to support the international missions of Ohio's public colleges and universities; or
 - c. Situations in which the Director of the Department of Administrative Services, or the Director's designee, shall determine that it is an emergency or that it is necessary for the State to waive some or all of the requirements of this Order. The Director shall establish standards by which Executive Agencies may request a waiver of some or all of the requirements of this Order and by which such requests will be evaluated and may be granted.
5. Executive Order 2010-09S is hereby rescinded.

I signed this Executive Order on June 21, 2011 in Columbus, Ohio and it will expire on my last day as Governor of Ohio unless rescinded before then.





John R. Kasich, Governor

ATTEST:

Jon Husted, Secretary of State

**DEPARTMENT OF ADMINISTRATIVE SERVICES STANDARD AFFIRMATION AND DISCLOSURE FORM EXECUTIVE
ORDER 2011-12K**

Governing the Expenditure of Public Funds on Offshore Services

All of the following provisions must be included in all invitations to bid, requests for proposals, state term schedules, multiple award contracts, requests for quotations, informal quotations, and statements of work.

This information is to be submitted as part of the response to any of the procurement methods listed.

CONTRACTOR/SUBCONTRACTOR AFFIRMATION AND DISCLOSURE:

By the signature affixed to this response, the Bidder/Offeror affirms, understands and will abide by the requirements of Executive Order 2011-12K. If awarded a contract, the Bidder/Offeror becomes the Contractor and affirms that both the Contractor and any of its subcontractors shall perform no services requested under this Contract outside of the United States.

The Bidder/Offeror shall provide all the name(s) and location(s) where services under this Contract will be performed in the spaces provided below or by attachment. Failure to provide this information may subject the Bidder/Offeror to sanctions, termination or a damages assessment. If the Bidder/Offeror will not be using subcontractors, indicate "Not Applicable" in the appropriate spaces.

1. Name/Principal location of business of Contractor:

(Name)

(Address, City, State, Zip)

Name/Principal location of business of subcontractor(s):

(Name)

(Address, City, State, Zip)

(Name)

(Address, City, State, Zip)

2. Name/Location where services will be performed by Contractor:

(Name)

(Address, City, State, Zip)

Name/Location where services will be performed by subcontractor(s):

(Name)

(Address, City, State, Zip)

(Name)

(Address, City, State, Zip)

3. Location where state data will be stored, accessed, tested, maintained or backed-up, by Contractor:

(Name)

(Address, City, State, Zip)

Name/Location(s) where state data will be stored, accessed, tested, maintained or backed-up by subcontractor(s):

(Name)

(Address, City, State, Zip)

4. Location where services to be performed will be changed or shifted by Contractor:

(Name)

(Address, City, State, Zip)

Name/Location(s) where services will be changed or shifted to be performed by subcontractor(s):

(Name)

(Address, City, State, Zip)

**ATTACHMENT ELEVEN
COST SUMMARY**

Planning and Budgeting Management System							Cost
Not to Exceed Fixed Price for Planning and Budgeting System Implementation -Task and Deliverables Subtotal (From Breakdown Sheet #1)							\$
Optional Annual System Maintenance for First Seven Years of Maintenance (Excluding COTS Software and Support Fees):							
1st Year (warranty)	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	
\$0.00	\$	\$	\$	\$	\$	\$	\$
Total Cost for Key Commercial Software including Annual Support Fees for Seven Years (From Breakdown Sheet #2)							\$
Total Cost for other Commercial Software including Annual Support Fees for Seven Years (From Breakdown Sheet #3)							\$
Total Not-to-Exceed Fixed Price for the Project:							\$

**ATTACHMENT TEN
(CONTINUED)**

COST SUMMARY – PLANNING AND BUDGETING IMPLEMENTATION TASKS AND DELIVERABLES BREAKDOWN SHEET #1

Planning and Budgeting System Implementation -Task and Deliverables	Cost
Task 1 - Project Management	\$
Task 2 – Detailed Business and Technical Requirements Definition, Review and Validation	\$
Task 3 – Design	\$
Task 4 – Implementation/Build	\$
Task 5 – Testing/Quality Assurance	\$
Task 6 – Training	\$
Task 7 – Deployment Readiness/Production Release and Post Implementation Support	\$
Not to Exceed Fixed Price for Planning and Budget Management System Implementation - Task and Deliverables Subtotal	\$

**ATTACHMENT TEN
(CONTINUED)
COST SUMMARY (KEY COMMERCIAL SOFTWARE BREAKDOWN SHEET#2)**

Offerors may duplicate this breakdown sheet as needed to identify all of the Key Commercial Software Costs.

KEY COMMERCIAL SOFTWARE COSTS							
Key Commercial Software Product Name and Version/Release #:							License Cost \$
Type License:							
License Count:							
Annual Support Fees for above Key Commercial Software for First Seven Years of Support:							Total Seven Years Annual Support Fees \$
1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	
\$	\$	\$	\$	\$	\$	\$	
Key Commercial Software Product Name and Version/Release #:							License Cost \$
Type License:							
License Count:							
Annual Support Fees for above Key Commercial Software for First Seven Years of Support:							Total Seven Years Annual Support Fees \$
1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	
\$	\$	\$	\$	\$	\$	\$	
Key Commercial Software Product Name and Version/Release #:							License Cost \$
Type License:							
License Count:							
Annual Support Fees for above Key Commercial Software for First Seven Years of Support:							Total Seven Years Annual Support Fees \$
1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	
\$	\$	\$	\$	\$	\$	\$	
Total Cost for Key Commercial Software, including Annual Support Fees for Seven Years:							\$

**ATTACHMENT TEN
(CONTINUED)
COST SUMMARY (COMMERCIAL SOFTWARE BREAKDOWN SHEET #3)**

Offerors may duplicate this breakdown sheet as needed to identify all of the Commercial Software Costs.

COMMERCIAL SOFTWARE COSTS							
Commercial Software Product Name and Version/Release #:							License Cost \$
Type License:							
License Count:							
Annual Support Fees for above Software for First Seven Years of Support:							Total Seven Years Annual Support Fees \$
1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	
\$	\$	\$	\$	\$	\$	\$	
Commercial Software Product Name and Version/Release #:							License Cost \$
Type License:							
License Count:							
Annual Support Fees for above Software for First Seven Years of Support:							Total Seven Years Annual Support Fees \$
1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	
\$	\$	\$	\$	\$	\$	\$	
Commercial Software Product Name and Version/Release #:							License Cost \$
Type License:							
License Count:							
Annual Support Fees for above Software for First Seven Years of Support:							Total Seven Years Annual Support Fees \$
1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	
\$	\$	\$	\$	\$	\$	\$	
Total Cost for other Commercial Software, including Annual Support Fees for Seven Years:							\$

**ATTACHMENT TEN
COST SUMMARY (CONTINUED)**

Planning and Budgeting Management System	Cost
Not to Exceed Fixed Price for Planning and Budgeting System Implementation -Task and Deliverables Subtotal (From Breakdown Sheet #1)	\$
Total Cost for Key Commercial Software including Annual Support Fees for Seven Years (From Breakdown Sheet #2)	\$
Total Cost for other Commercial Software including Annual Support Fees for Seven Years (From Breakdown Sheet #3)	\$
Total Not-to-Exceed Fixed Price for the Project:	\$

**ATTACHMENT TEN
(Continued)
COST SUMMARY RATE CARD**

Rate Card. The following table lists the positions that may be used in the IDAs. The rate card contains different columns for commitment or actual spending levels that will be identified by Deliverables in the IDAs. The offeror must provide its most competitive rates for the identified positions. The hourly rate column will be multiplied by the “Weight Value” to determine the Rate Card evaluation cost total.

The State expects that the hourly rates provided in the 3 month and 6 month columns will reflect the longer commitment with a lower cost than the straight hourly rate.

Position Title	Hourly Rate		Weight Value	Total Cost For Evaluation	>3 Month (or IDA spend < \$1M)	>6 Month (or IDA spend > \$1M)
Project/Advisory Positions						
Project Manager	\$	X	5	\$	\$	\$
Technical Lead	\$	X	5	\$	\$	\$
Technical/Specialist Positions						
Trainer, End User	\$	X	5	\$	\$	\$
Trainer, Technology	\$	X	5	\$	\$	\$
Senior Analyst (Business, Process or System)	\$	X	3	\$	\$	\$
Analyst (Business, Process or System)	\$	X	1	\$	\$	\$
Senior Developer	\$	X	3	\$	\$	\$
Developer	\$	X	1	\$	\$	\$
Technical Integration Specialist	\$	X	3	\$	\$	\$
Network Engineer	\$	X	3	\$	\$	\$
Unix/Windows System Administrator	\$	X	1	\$	\$	\$
Data Warehouse Architect	\$	X	3	\$	\$	\$
Database Administrator	\$	X	1	\$	\$	\$
Quality Assurance and Testing	\$	X	3	\$	\$	\$
Security Specialist	\$	X	1	\$	\$	\$
Technical Writer	\$	X	1	\$	\$	\$
Rate Card Evaluation Total				\$		