

# REQUEST FOR PROPOSALS

**RFP NUMBER: 0A1165**

The State of Ohio, through the Department of Administrative Services, for the Ohio Department of Public Safety and the Department of Administrative Services is requesting proposals for:

## **Ohio Bureau of Motor Vehicles Portable Driver Simulator System**

**DATE ISSUED:** March 24, 2016  
**INQUIRY PERIOD BEGINS:** March 24, 2016  
**INQUIRY PERIOD ENDS:** April 25, 2016  
**OPENING DATE:** April 29, 2016  
**OPENING TIME:** 1:00 P.M.  
**OPENING LOCATION:** Department of Administrative Services  
General Services Division  
Bid Desk  
4200 Surface Road  
Columbus, Ohio 43228-1313

**PRE-PROPOSAL CONFERENCE DATE:** April 8, 2016  
Ohio Department of Public Safety  
1970 W. Broad Street  
Columbus, OH 43223  
Time: 9:00 AM to 11:00 AM  
(Offerors must RSVP for the Pre-Proposal Conference.)

This RFP consists of five parts and eleven attachments, totaling 176 total pages. Supplements are attached to this RFP with a beginning header page and are included in the total page count. Please verify that you have a complete copy.

In lieu of taking exceptions to RFP requirements, including but not limited to terms and conditions, scope of work statements, service levels requirements, etc., or providing assumptions that may be unacceptable to the State, Offerors are strongly encouraged to use the inquiry process in Part Three of the RFP.



## 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 Department of Administrative Services ("DAS"), Office of Information Technology is soliciting competitive sealed proposals ("Proposals") for the implementation of the Ohio Bureau of Motor Vehicles ("BMV") Portable Driver Simulator System ("PDSS") by the Ohio Department of Administrative Services (the "Work").

If a suitable offer is made in response to this RFP, the State of Ohio (the "State"), through the DAS 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 Work is completed to the satisfaction of the State and the Contractor is paid or June 30, 2017, whichever is sooner. The State may renew this Contract for up to two (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 Work or the terms and conditions in this RFP.**

**Background.** The Ohio Department of Public Safety ("ODPS") Bureau of Motor Vehicles ("BMV") desires Proposals to obtain the services of qualified Offerors to provide a completely operational PDSS for limited assessment purposes. The Contractor must propose a PDSS for a three (3) to five (5) minute limited assessment test. Each test must include a scenario comprised of multiple events which require the test taker ("Applicant") to perform specific driving-related tasks. The test results will then be transmitted to the ODPS Business Application Services System ("BASS"). Approximately 164 systems are required for approximately 70 Ohio Driver License Examination locations throughout the state. There will also be two (2) additional stations (one for ODPS IT and one for ODPS In-House Testing) and another twenty (20) stations held in storage for emergency spares.

Offerors may submit a proposal for a client server perpetually licensed software solution, a cloud based solution, or both. Offerors must submit separate proposals for each solution type.

This system is the result of new legislation: Ohio House Bill 53 - SECTION 205.10.

*DPS DEPARTMENT OF PUBLIC SAFETY - MOTOR VEHICLE REGISTRATION – states the following:  
The Director of Public Safety may deposit revenues to meet the cash needs of the State Bureau of Motor Vehicles Fund (Fund 4W40) established in section 4501.25 of the Revised Code, obtained under sections 4503.02 and 4504.02 of the Revised Code, less all other available cash. Revenue deposited pursuant to*

*this paragraph shall support, in part, appropriations for operating expenses and defray the cost of manufacturing and distributing license plates and license plate stickers and enforcing the law relative to the operation and registration of motor vehicles. Notwithstanding section 4501.03 of the Revised Code, the revenues shall be paid into Fund 4W40 before any revenues obtained pursuant to sections 4503.02 and 4504.02 of the Revised Code are paid into any other fund. The deposit of revenues to meet the aforementioned cash needs shall be in approximately equal amounts on a monthly basis or as otherwise approved by the Director of Budget and Management pursuant to a plan submitted by the Director of Public Safety. OPERATING EXPENSE – INFORMATION AND EDUCATION Of the foregoing appropriation item 761321, Operating Expense – Information and Education, \$450,000 in each year shall be used to purchase a Portable Driver Simulator System (PDSS).*

<https://www.legislature.ohio.gov/legislation/legislation-documents?id=GA131-HB-53>

**Objectives.** The State has the following objectives that it wants to accomplish:

All Proposals must include an itemized list of all required hardware components, an itemized list of Vehicle Simulation Peripherals (e.g. steering wheel, foot pedals, headphones, and / or turn signals) for the driver simulator, and the software solution which may include commercial software components (e.g. Microsoft Windows, peripheral software drivers). Regardless of whether the solution is a client server perpetually licensed software solution or a cloud based solution, the State will purchase all hardware and retain ownership. The State may choose to purchase the hardware from the awarded Contractor, or may choose to purchase the hardware through another procurement vehicle.

All Proposals are required to include an implementation plan to include deployment to field locations and training of ODPS driver examiners and IT employees which must be completed by October 10, 2016.

All Proposals must include a support and maintenance plan to successfully maintain the system to ODPS standards through the contract expiration, initially June 30, 2017; potentially through June 30, 2021.

**Overview of the Work's Scope.** Contract services for the implementation of the PDSS include:

- Project Management Services
- Stakeholder Engagement
- Design Services
- Implementation
- Training
- Maintenance and Support
- Program Transitioning

**Calendar of Events.** The schedule for the RFP process and the Work 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's Procurement Website. After the Proposal due date and before the award of the Contract, the State will make schedule changes through the RFP amendment process. Additionally, the State will make changes in the Work schedule after the Contract award through the change order provisions in the General Terms and Conditions Attachment to this RFP. It is each prospective Offerors 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:             | March 24, 2016               |
| Inquiry Period Begins:  | March 24, 2016               |
| Inquiry Period Ends:    | April 25, 2016, at 8:00 a.m. |
| Pre-Proposal Conference | April 8, 2016                |
| Proposal Due Date:      | April 29, 2016 at 1:00 p.m.  |

Estimated Dates

|             |          |
|-------------|----------|
| Award Date: | May 2016 |
|-------------|----------|

Estimated Work Dates

|              |          |
|--------------|----------|
| Work Begins: | May 2016 |
|--------------|----------|

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 eleven (11) attachments. The parts and attachments are listed below. There also may be one or more 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    | Work Requirements and Special Provisions                 |
| Attachment Three  | Requirements for Proposals                               |
| Attachment Four   | General Terms and Conditions                             |
| Attachment Five   | Sample Contract  |
| Attachment Six    | Offeror Certification Form                               |
| Attachment Seven  | Offeror Profile Summary                                  |
| Attachment Eight  | Standard Affirmation and Disclosure Form (EO 2011-2012K) |
| Attachment Nine   | Cost Summary Workbook                                    |
| Attachment Ten    | Master Contract for Software Licensing                   |
| Attachment Eleven | Master Cloud Services Agreement                          |

### **Supplements:**

|              |  |
|--------------|--|
| Supplement 1 | Ohio Bureau of Motor Vehicles Portable Driver Simulator System – Scope of Work |
| Supplement 2 | State Security, Privacy and Data Handling Requirements                         |
| Supplement 3 | BASS Overview and PDSS Install Locations                                       |
| Supplement 4 | Facility Access Request Form   |

### PART THREE: GENERAL INSTRUCTIONS

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

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

Procurement Representative:

Andrew Miller  
Acquisition Analyst  
Office of Information Technology  
Enterprise IT Contracting  
30 East Broad Street, 39<sup>th</sup> Floor  
Columbus, Ohio 43215

During the performance of the Work, a State representative (the "Work Representative") will represent the State and be the primary contact for the Work. The State will designate the Work Representative 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's Procurement Website at <http://procure.ohio.gov/>;
- From the Quick Links menu on the right, select "**Bid Opportunities Search**";
- In the "**Document/Bid Number**" field, enter the RFP number found on the first page of this RFP (the RFP number begins with zero followed by the letter "A");
- Select "**Request for Proposals**" from the Opportunity Type dropdown;
- Click the "Search" button;
- On the Opportunity Search Results page, click on the hyperlinked Bid Number;
- On the Opportunity Details 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 Offerors 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
- Enter the Confirmation Number at the bottom of the page
- 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 "Bid Opportunities Search" 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. But 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.

**Pre-Proposal Conference.** The State will hold a Pre-Proposal Conference on April 8, 2016, at 9:00 a.m. on the 1<sup>st</sup> floor of the Shipley Building, 1970 W. Broad Street, Columbus, Ohio 43215. The purpose of this conference is to discuss the RFP and the Work with prospective Offerors and to allow them to ask questions arising from their initial review of this RFP.

The Offeror is encouraged to attend the Non-Mandatory Bid Conference held on April 8, 2016 via attendance at Shipley Building or supplied Skype meeting invitation. Vendors must register for Skype.

**Due to increased security at the Shipley Building, Offerors must RSVP with Deb Bryan at [DBryan@dps.ohio.gov](mailto:DBryan@dps.ohio.gov) by noon on April 4, 2016. Offerors should arrive at least 30 minutes early in order to check in and register with security. The State cannot ensure attendance at the Pre-Proposal Conference for Offerors that fail to register by the deadline.**

**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 "Bid Opportunities Search" 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 Offerors 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 Offerors 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 Offerors 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 six (6) copies of the technical section, and the package with the cost section also must be sealed and contain two (2) complete copies of the cost section of the Proposal. Further, the Offeror must mark the outside of each package with either "**Ohio Bureau of Motor Vehicles Portable Driver Simulator System 0A1165**

– **Technical Proposal**” or “**Ohio Bureau of Motor Vehicles Portable Driver Simulator System 0A1165 – Cost Summary,**” as appropriate.

**All Offerors are subject to the security, privacy and data handling requirements of Supplement 2, regardless of the Offerors proposed solution.**

Included in each sealed package, the Offeror also must provide an electronic copy of everything contained within the package on USB Thumb Drive 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 Offerors 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  
Enterprise IT Contracting  
Attn: Bid Desk  
4200 Surface Road  
Columbus, Ohio 43228

Bid Desk Main Phone Number: 614-466-5090

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 Desk 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 that was 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. Additionally, the Offeror 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 Offerors 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 that it is in the State's interest and will not cause any material unfairness to other Offerors.

**Multiple or Alternate Proposals.** The State will accept multiple Proposals from a single Offeror for any alternative solutions or options to the requirements of this RFP. If submitting multiple responses to this RFP for alternative solutions or options, each RFP must be submitted separately. Additionally, any Offeror that disregards a requirement in this RFP have its Proposal rejected by the State. **Offerors submitting multiple proposals must submit each proposal separately with multiple copies of each proposal.**

**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, regardless of whether the State awards the Contract through this process, decides not to go forward with the Work, cancels this RFP for any reason, or contracts for the Work 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. Additionally, the State 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 Work 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 Offerors Proposal without the clarification, or disqualify the Offerors Proposal.

Corrections and clarifications must be completed off State premises.

**Initial Review.** The State will review all Proposals for their format and completeness. The State normally rejects incomplete or incorrectly formatted Proposals, though it 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 weight 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 Work or the advice or evaluations of various State personnel that have subject matter expertise or an interest in the Work. 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 that it evaluates. At the sole discretion of the State, it may reject any Proposal receiving a significant number of zeroes 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 Offerors Proposal meets all the mandatory requirements, the Offerors Proposal may be included in the next phase of the evaluation, which will consider other requirements described in a table in Attachment One.

In the case of any requirements for a team of people the Offeror is proposing, the Offeror must submit a team to do the Work that collectively meets all the team requirements. But the experience of multiple candidates may not be combined to meet a single requirement. Further, previous experience of the candidate submitted for a Work Manager position may not be used to meet any other team member requirements. Each candidate proposed for the Work team must meet at least one of the requirements.

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 Offerors 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 that 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. But 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 that the State has deemed critical to the success of the RFP's objectives, the State may continue to consider the Offerors Proposal. But 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 that 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. And 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 that the State disqualifies because of excessive cost or other irregularities.

If the State finds that 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 Offerors responsibility, as described below.

**Requests for More Information.** The State may require some Offerors to interview, make a presentation about their Proposals, or demonstrate their products or services. 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;
- Showcase its approach to the Work; and
- Demonstrate the professionalism, qualifications, skills, and work knowledge of its proposed candidates.

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. Additionally, 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 Offerors Proposal.

The State normally will not rank interviews, demonstrations, and presentations. Rather, if the State conducts the interviews, demonstrations, or presentations 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, or interviews 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.

**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 that 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 that it determines is not responsible or that has proposed candidates or subcontractors to do the Work that are not responsible. The State's determination of an Offerors 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 Offerors Proposal, reference evaluations, a review of the Offerors financial ability, and any other information the State requests or determines is relevant.

Some of the factors used in determining an Offerors 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 that an Offeror is not responsible. For example, if the Offerors financial ability is adequate, the value, if any, assigned to the Offerors 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 Work. If the State believes the Offerors financial ability is inadequate, the State may reject the Offerors 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 that 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 Offerors responsibility, the State may conduct reference checks to verify and validate the Offerors 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 Offerors Proposal. Additionally, the State may reject an Offerors Proposal as non-responsive if the Offeror fails to provide requested reference contact information.

The State may consider the quality of an Offerors and its candidates' and subcontractors' references as part of the technical evaluation phase, as well as in the State's determination of the Offerors 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 Offerors or any of its proposed candidates' or subcontractors' references, the State will seek information that relates to the Offerors 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 Work 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 Offerors 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 Offerors responsibility may include the Offerors 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 that an Offeror submit audited financial statements for up to the past three years, if the State is concerned that an Offeror may not have the financial ability to carry out the Contract. Also, the State may consider financial information other than the information that this RFP requires as part of the Offerors 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 that 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 Offerors 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 that 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 Offerors 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 that 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 Offerors 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 Offerors 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 Offerors 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 Offerors 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 Offerors Proposal from further consideration, and seek such other remedies as may be available in law or in equity.

## 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 Work is in its best interest and has not changed the award date.

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 may issue two originals of any Master Contract(s) for Software Licensing (Master Contract(s) or Master Cloud Services Agreement (Cloud), if applicable to the Contractor. If the licensor under any such Master Contract or Cloud 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 or Cloud 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 within 15 business days after the State issues a purchase order, or on a mutually agreed start date, under the Contract. If the State awards a Contract pursuant to this RFP, and the Contractor is unable or unwilling to perform the Work, 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. Additionally, the State may seek such other remedies as may be available to the State in law or in equity for the selected Contractor's failure to perform under the Contract.

**Contract.** If this RFP results in a Contract award, the Contract will consist of:

1. The one page Contract (Attachment Five) in its final form; and
2. The 0A1165 Ohio Bureau of Motor Vehicles Portable Driver Simulator System Contract dated \_\_\_\_\_, 2016 which includes Attachment Four, Attachments, applicable Supplements and the Cost Proposal Workbooks dated \_\_\_\_\_, 2016.

The Contract is the result of and includes agreed upon changes to the RFP its attachments and supplements including any written amendments to the RFP, any materials incorporated by reference in the RFP, the Contractor's Proposal, and written, authorized amendments and clarifications to the Contractor's Proposal. It also includes any purchase orders and change orders issued under the Contract.

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.

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

**ATTACHMENT ONE: EVALUATION CRITERIA**

**Mandatory Requirements.** The first table lists the mandatory requirements for this RFP. If the Offerors Proposal meets the mandatory requirements, the Offerors Proposal may be included in the next part of the technical evaluation phase as described in the next table.

| Mandatory Requirement   | Reject | Accept |
|---|--------|--------|
| The Offeror must have at least 36 months experience in successfully designing and implementing a Vehicle Simulation of a similar implementation size and complexity; providing 3 unique project references.   |        |        |
| The Offeror is to provide a proposed solution architecture/design diagram for PDSS (e.g. a high level design approach, a solution design in terms of a BPM process flow, a deployment scenario for the solutions in terms of the hardware and software needed are examples on what is expected.)  |        |        |
| The Offerors solution must have the capability of interfacing with the ODPS BASS system described in Supplement Three which will include accepting a unique applicant identifier from BASS as well as providing data to be displayed via the BASS software on the BMV supervisor station. The Proposal must provide an example of how the Offeror has previously used an API or Web Service, which it proposes utilizing for this project, to create an interface to an external application. |        |        |

**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:

| Mandatory Requirements Scored Criteria   | Weight | Does Not Meet | Meets | Exceeds |
|--|--------|---------------|-------|---------|
| The Offeror must have at least 36 months experience in successfully designing and implementing a Vehicle Simulator of a similar implementation size and complexity; providing 3 unique project references. | 4      | Reject        | 5     | 7       |

| Supplement 1  |        |               |       |         |
|---|--------|---------------|-------|---------|
| Scored Criteria   | Weight | Does Not Meet | Meets | Exceeds |
| <b>Assessment Scoring</b> - Calculations and algorithms will be determined after Contractor selection with the selected Contractor and business unit collaboration events. For the purpose of this RFP provide an example of the scoring capabilities currently available within your solution.                                   | 6      | 0             | 5     | 7       |
| <b>Assessment Requirements</b> – Limited assessment for applicants prior to the applicant taking a driver’s road test must include the following listed below under “Tasks for Limited Assessment.” For each of the tasks Offerors must provide an explanation of the applicant’s on-screen view. Offerors must provide a written |        |               |       |         |

|   |    |   |   |   |
|---|----|---|---|---|
| <p>dialog of the verbal instructions provided to the applicant by the virtual driver examiner. Offerors must provide screen shots of each of the tasks as viewed by the applicant taking the assessment. [Scored in conjunction with Tasks for Limited Assessment]</p>  |    |   |   |   |
| <p><b>Tasks for Limited Assessment</b> – Each driving scenario must randomize events, course layout, and design so any applicant required to re-test will not recognize the test or order of scenarios developed. At a minimum each scenario must include each of the following tasks:</p> <p>1. Required Tasks:</p> <ul style="list-style-type: none"> <li>i. 2 right turns</li> <li>ii. 2 left turns</li> <li>iii. 1 stop sign</li> <li>iv. 1 stop bar</li> <li>v. 1 traffic light</li> <li>vi. 1 school zone</li> <li>vii. 1 lane change</li> <li>viii. 1 cross walk</li> <li>ix. Rural and City</li> <li>x. Variable hazards (e.g. road hazard, pedestrian)</li> </ul> <p>2. Supplemental Tasks:</p> <ul style="list-style-type: none"> <li>i. Time constraints</li> <li>ii. RR crossing</li> <li>iii. Emergency vehicles – moving</li> <li>iv. Emergency vehicles stationary / utility vehicles on side of road</li> </ul> | 27 | 0 | 5 | 7 |
| <p>PDSS solution must have a minimum of ten (10) separate randomized scenarios per assessment. Each scenario must include a virtual driver's examiner to deliver instructions to the applicant taking the PDSS assessment.</p>  | 10 | 0 | 5 | 7 |
| <p>PDSS solution must include an administrator module(s) and transmit the tester results to the existing agency supervisor station. Provide specifications for an administrator module(s) for monitoring assessments and provide the scored assessment to the supervisor station located at each of the BMV locations in Supplement Three as well as transmitting the results back to the BMV headquarters.</p>   | 2  | 0 | 5 | 7 |
| <p>PDSS solution screen flow, instructions, and diagrams must demonstrate operational effectiveness for staff and the applicant. Offerors must provide screen shots, dialog of driver examiner verbal instructions, descriptions of screen flow, and a</p>  | 25 | 0 | 5 | 7 |

|   |    |   |   |   |
|---|----|---|---|---|
| <p>narrative addressing the following aspects of their PDSS solution:</p> <ul style="list-style-type: none"> <li>a. Administration functions</li> <li>b. Applicant functions</li> <li>c. Solution navigation</li> <li>d. Solution error tolerance</li> <li>e. Applicant engagement</li> <li>f. Sound capabilities and realism</li> <li>g. Graphic capabilities and realism with seamless transition between scenarios</li> <li>h. Overall solution aesthetics</li> </ul>  |    |   |   |   |
| <p>PDSS solution must be fully operational from inside the State's Firewall; all software updates by the Contractor to the onsite software must be made via a secure network connection.</p> <p>The minimum server requirements are as follows:</p> <ul style="list-style-type: none"> <li>a. Must be compatible Microsoft Server 2012</li> <li>b. Must be compatible with SQL Server 2012</li> <li>c. Must be load balance capable (given the large number of users distributed across the State)</li> <li>d. Must be able to run virtually using VMWare</li> </ul> <p><b>OR</b></p> <p>PDSS solution must adhere to the additional terms and conditions outlined in Supplement Four – Master Cloud Services Agreement.</p> <p>PDSS solution must be compatible with Internet Explorer 9, 10 or 11 running on a Windows 7 64-bit PC.</p> | 10 | 0 | 5 | 7 |
| <p><b>Security on any proposed solution</b></p> <p>PDSS solution must meet or exceed the standards or guidelines set by the State. The ODPS protects its computing environment according to the 20 Consensus Audit Guidelines (CAG) published by the System Administration, Networking, and Security Institute (SANS) Institute, and select National Institute of Standards and Technology (NIST) Special Publication 800-53 security controls. Respondent must describe how their proposed PDSS solution adheres to these industry standard guidelines and standards</p>   | 8  | 0 | 5 | 7 |
| <p>Storage Requirements / Specifications</p>  | 2  | 0 | 5 | 7 |

| <b>Cloud/Hosted and On Premise Solutions Evaluation Criteria</b>  |   |   |   |   |
|---|---|---|---|---|
| Service Level Offerings (e.g. Support model during implementation and after (help desk, toll free assistance, etc.) and Maintenance schedule) | 5 | 0 | 5 | 7 |
| Disaster Recovery Plan Documentation  | 5 | 0 | 5 | 7 |
| Web application performance – including User load capability, Bandwidth Required to run the application                                       | 2 | 0 | 5 | 7 |
| API Documentation (e.g. configuration files, property names, etc. proposed or actual)   | 5 | 0 | 5 | 7 |
| Restrict access to specific areas of the application based on system function to be performed. (User Roles)                                   | 8 | 0 | 5 | 7 |
| <b>Proposed Solution</b>  |   |   |   |   |
| Staffing Capabilities   | 5 | 0 | 5 | 7 |
| Project Management Plan   | 5 | 0 | 5 | 7 |
| Stakeholder Engagement Plan   | 5 | 0 | 5 | 7 |
| Design Services Plan  | 5 | 0 | 5 | 7 |
| Implementation Plan   | 5 | 0 | 5 | 7 |
| Training Plan   | 5 | 0 | 5 | 7 |
| Maintenance and Support Plan  | 5 | 0 | 5 | 7 |

|                            |   |   |   |   |
|----------------------------|---|---|---|---|
| Program Transitioning Plan | 5 | 0 | 5 | 7 |
|----------------------------|---|---|---|---|

**Technical Scored Criteria Defined:**

**Client Server Architecture Diagram** – Provide a high level entity relationship diagram of your application. An entity relationship diagram (ERD) shows the relationships of entity sets stored in a database.

**On Premise Architecture Overview Diagram** – provide a diagram of the hardware your application needs to run successfully.

**Storage** - provide a recommendation that your application needs for storage size and type to run successfully.

**Backup** frequency for the application – what is the frequency your application is backed up. Be specific and state the number of times in a month. If it is less than one time a month, provide an explanation.

**Bandwidth** – what is the required Internet bandwidth to run the application (proposed or actual).

**System Performance** – User load capacity – Please provide your expectations for the system performance and user capacity.

**Scalability of the application** - Provide a scalable system that can be expanded easily.

**Maintenance of the application** - Please describe any scheduled maintenance procedures.

**Security Roles** Restrict access to specific areas of the application based on system function to be performed (User Roles).

**Disaster Recovery & Business Continuity** - Contractor must provide standard disaster recovery business continuity procedures and processes.

**Data locality** – Where will the State of Ohio’s data be stored.

**Data Mechanics** – Ownership of the data

**Service Level** – Service level offerings. Does your company offer a tiered level approach to service the application; describe in detail and explain the values.

**Support model during implementation and post implementation** (help desk, toll free assistance, etc.) – The Contractor must develop and submit for approval a Post-Implementation Support Plan which identifies both the Contractor and the State production environment activities and responsibilities, at a minimum this document must identify:

- The Contractor’s methodology and processes for upgrading and enhancing the ODPS PDSS solution’s hardware infrastructure and base software components (e.g., application software, tools, database, etc.);
- The Contractor’s on-going production responsibilities, including at minimum proposed solution administration/operations, technical support and hardware/software maintenance support;
- Other Contractor solution consulting and support services that are available to the State; and
- State responsibilities as they may pertain to the on-going production hardware and software implemented for the Contractor-hosted ODPS PDSS web-enabled user environment.

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

| <b>Criteria</b>    | <b>Percentage</b> |
|--------------------|-------------------|
| Technical Proposal | 70%               |
| Cost Proposal      | 30%               |

The State is committed to making more State contracts, services, benefits and opportunities available to minority business enterprises (MBE). The Offeror may find certified MBE vendors using the following web link: <http://eodreporting.oit.ohio.gov/searchMBE.aspx>.

The Offeror with the highest point total for the Supplement 1 Technical Proposal will receive 700 points. The remaining Offerors will receive a percentage of the maximum points available based upon the following formulas:

**Technical Proposal Points** = (Offerors Technical Proposal Points/Highest Number of Technical Proposal Points Obtained) x 700

The Offeror with the lowest proposed Not-To-Exceed Fixed Price will receive 200 points. The remaining Offerors will receive a percentage of the maximum cost points available based upon the following formula:

**Cost Summary Points** = (Lowest Not-To-Exceed Fixed Price/Offerors Not-To-Exceed Fixed Price) x 300

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

**Total Points** = Technical Proposal Points + Cost Summary Points

Note: If included, the Offerors MBE spend will be evaluated as a percentage (%) based on the Offerors proposed project total costs. The Offeror with the highest MBE spend will be awarded an additional 100 points. The remaining Offerors will receive a percentage of the maximum MBE points available based upon the following formula:

**MBE Spend Points** = (Highest MBE total spend/Offerors MBE total spend) x 100.

## ATTACHMENT TWO: SPECIAL PROVISIONS

**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. And the Contractor must provide the Deliverables no later than the due dates the Contract requires. 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.

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 Authorized Representative, who will review (or delegate review of) the materials or documents within a reasonable time after receipt, as specified in the State-approved, baselined Project Plan.

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

If the State agrees the Deliverable is compliant, the State Authorized Representative will sign a Deliverable Submittal Form and return a copy to the Contractor. In addition, if the State Authorized Representative or designee determines that the State should make a payment associated with the Deliverable, the State Authorized Representative will indicate that the payment should be made on the Deliverable Submittal Form.

The State form authorizing payment and the payment itself do not indicate that the State has accepted the Deliverables 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 or Services (if applicable).

**General Systems Implementation Standards.** The Contractor will through quality assurance procedures ensure there that are no viruses or malware or undocumented features in its infrastructure and services and that they do not contain any embedded device or code (e.g., time bomb) that is intended to obstruct or prevent any use of or access to them by the State.

**Inconsistencies between Contract and Deliverables.** Any terms and conditions that may be incorporated in a User, Operations, Training Document or Guide or Contractor created Deliverable, work product, assumption, responsibility or activity that are inconsistent or conflicts with the Contract, the Contract shall prevail.

**The Contractor's Fee Structure.** The Contract award(s) will be for a Not-To-Exceed Fixed Price as agreed in the Cost Summary Microsoft Excel® Workbook, Attachment Nine, (in native format), payable in accordance with project milestones that are agreed upon between the State and the Offeror.

- **Project Deliverables/Phases.** The Contractor may submit an invoice for Deliverables or milestones upon receipt of a signed Deliverable Submittal Form indicating State acceptance that the Deliverable or milestone completed met Contract requirements and payment should be made.
  - **Phase 1. Discovery**
    - The goal is to diagram the PDSS environment for the proposed solution.
    - Identify the configuration and customization work packages to meet all RFP requirements.
    - Build a project plan (GANTT) to determine specific resources needed (development, integration, system testing, training, user acceptance testing, deployment, etc.)
  - **Phase 2. Construction**

- The goal is to install, configure and customize the solution to satisfy all of the PDSS Solution Requirement specifications.
  - This phase includes multiple activities.
  - The State desires methodologies that allow the State multiple opportunities to validate requirements and design.
  - This includes a desire to view rapid prototypes of requirements and design concepts, screens, content and application flow.
  - Prototypes do not necessarily need to become operation or be reused during development.
- **Phase 3. System Testing**
  - The system must be subjected to system testing.
  - System testing will occur in an established test environment that mirrors the PDSS production environment.
  - The Contractor will function as system users during system testing and will evaluate all test outcomes.
  - The Contractor must direct system testing and operate the system in accordance with the test plans.
  - The Contractor must provide all error resolution and other technical support as required.
  - At the end of system testing, ODPS will sign off on acceptance of system testing and setup of the system for User Acceptance Testing.
- **Phase 4. Training**
  - ODPS requires the Contractor to provide training on the equipment and software.
  - The Contractor is required to provide two (2) instructor lead training sessions with an on screen presentation and hard copy handouts.
  - Materials for training session must include both an electronic and hard copy version in either PDF or as a Microsoft PowerPoint presentation.
  - During the training the ODPS expects attendees will be given small group hands-on experience at drivers simulators to demonstrate their learned skills on the actual simulators being provided under this Contract.
- **Phase 5. User Acceptance Testing (UAT)**
  - The user acceptance testing (UAT) must verify the full functionality and technical usability of the system.
  - At the end of UAT, ODPS will sign-off on acceptance of the full system functionality and usability giving approval to move forward to implementation.
- **Phase 6. Implementation and Deployment**
  - Contractor will be responsible for the operation and maintenance of the system until the implementation task has been successfully completed.
  - This task is state wide and will be broken in to two tasks for successful milestone achievement and payment.
- **Phase 7 Application Support, Maintenance and Enhancement**
  - The Contractor will be responsible for application support, maintenance, and enhancement throughout the project and the first year following deployment in to production in conjunction with ODPS technical staff.
  - The Contractor is required to provide support during the warranty period.
  - Warranty work must not be included in the cost of the application support, maintenance and enhancement task during year one.

Ongoing corrections of the PDSS application, hardware or peripherals will be characterized as defects and ongoing changes to the PDSS for additional functionality will be characterized as an enhancement. Support must be available during the Deputy Registrar's business hours, 8am-5pm Eastern Time, Monday – Friday and 8am – 12pm Eastern Time on Saturday. ODPS values the importance of Customer Service.

The Contractor must provide technical support and assistance with maintaining operations of the PDSS application including:

- Troubleshooting software, hardware and peripherals
- Updates, Patches and Repairs (software, hardware and peripherals)

- Correction of Application Defects
- Software Upgrades
- Hardware and Peripherals Upgrades

**MBE Reporting.** All Offerors using an MBE must follow the MBE Reporting guidelines. Within 15 business days after the award of the RFP, but prior to the commencement of any subcontract work, the selected Offeror must submit the names of selected Ohio certified MBE subcontractors for approval to the Agency. Link to Ohio Certified Minority Business Enterprises (MBE) <http://eodreporting.oit.ohio.gov/searchMBE.aspx>

Also, within 15 business days, the Offeror proposing an MBE subcontractor certified by the Department of Administrative Services pursuant to ORC 123.151 must provide a copy of the subcontractor's Ohio MBE Certification. The MBE must maintain that certification for the duration of MBE's portion of the scope of work in the Contract.

Offeror shall indicate on all invoices submitted to the Agency the dollar amount attributed to the Work provided by selected Ohio certified MBE subcontractors along with documentation of the Ohio certified MBE subcontractors' activities. Offeror shall report all Ohio certified MBE subcontractor payments under this Contractor monthly to the Agency.

**MBE Reporting.** In the State's commitment to make more State contracts, services, benefits and opportunities available to minority business enterprises (MBE), the State included in the Evaluation Scoring Formula of this RFP, a provision for the Offeror to seek and work for MBE subcontractors.

- Utilize a competitive process to which only Ohio certified MBEs may respond;
- Have established criteria by which prospective MBEs will be evaluated including business ability and specific experience related to the work requirements;
- Require the MBE subcontractor to maintain their certification throughout the term of the Contract, including any renewals; and
- Propose the awarded MBE as a subcontractor under RFP 0A1165.

After award of the RFP, the Contractor must submit a quarterly report to the DAS Contract Manager or designee documenting the work performed by and payments made to the MBE subcontractor. These reports must reflect the level of MBE commitment agreed to in the Contract. The reports must be filed at a time and in a form prescribed by the DAS Contract Manager or designee.

**Reimbursable Expenses.** None.

**Bill to Address.** The State will provide the bill to address(s) after contract award. The bill to address may vary depending upon the work or services delivered.

**Location of Data.** The Contractor must perform all work on the Project and keep all State data within the United States, and the State may reject any Proposal that proposes to do any work or make State data available outside the United States. The State also may reject any Proposal for which the Contractor has not submitted the affirmation and disclosure form EXECUTIVE ORDER 2011-12K representing that it will ensure that all work on the Project will be done within the United States and that all State data will remain in the United States. Additionally, the Contractor must provide written notification for approval if at any time the location of work or data changes.

## ATTACHMENT THREE: REQUIREMENTS FOR PROPOSALS

**Proposal Format.** These instructions describe the required format for a responsive Proposal. The Offeror may include any additional information it believes is relevant. The Offerors proposal submission must be submitted using the Microsoft Word® version of the RFP to provide an **in-line response** to the RFP. An identifiable tab sheet must precede each section of the 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.

Offeror responses should use a consistent contrasting color (blue is suggested to contrast with the black text of this document) to provide their response to each requirement so that the Offeror response is readily distinguishable to the State. Below is an example of the required format for responding to the RFP requirements. To aid Offerors in the creation of the most favorable depiction of their responses, alternative formats are acceptable that use typefaces, **styles** or **shaded backgrounds**, so long as the use of these formats are consistent throughout the Offerors response and readily distinguishable from the baseline RFP. Alterations to the State provided baseline RFP language is strictly prohibited. The State will electronically compare Offeror responses to the baseline RFP and deviations or alterations to the State's RFP requirements may result in a rejection of the Offerors Proposal.

To ensure that each Proposal addresses the required sections of the RFP, Offerors must address each RFP requirement by section and sub-section heading and provide the Offerors proposed solution or response to the requirement by section and subsection **in-line** using the provided Microsoft Word version of this RFP.

Additionally, Offerors must include the entire content of Attachment Four as a single section in their proposal. **Offerors must include a statement at the beginning of the section** indicating that the Offeror has read, understands and agrees to the General Terms and conditions contained in Attachment Four.

**Illustrative Example: Customers Served in the Widget Space:**

*Instructions: The Offeror is to describe the customers (i.e., companies, agencies, entities, etc.) served in the Widget domain and the nature of the services provided, as well as the duration of the service.*

**Offeror Response: The Acme Corporation has been in business for over 20 years, Acme is a leading supplier of Widget and Widget based services with clients in a variety of sectors including public (23 states) and private (125 of the Fortune 400).**

Each Proposal must include a response to every request for information in this attachment and Supplement 1 whether the request requires a simple "yes" or "no" or requires a detailed explanation. When a detailed response is required, simply repeating the RFP's requirement and agreeing to comply may be an unacceptable response and may cause the Proposal to be rejected.

Offerors are required to page limit their responses to each Supplement to be no longer than three times the State provided page count in Supplement 1. As Offeror responses are to respond in an inline format, and by way of example, if Supplement 1 is approximately 40 pages, the Offerors inline response, inclusive of State requirements shall not exceed 120 pages in total. Offerors should choose a similarly sized typeface (generally 10 point for text and 8 point for tables) as are included in the State's requirements and not utilize smaller than 8 point fonts to work under this page limit restriction.

State evaluators read every Proposal from front-to-back inclusive of all Attachments, Supplements, Forms and other elements. Offerors are advised to limit Offeror marketing statements and positioning to the area(s) of the RFP applicable to those statement(s) and not include duplicative or otherwise repetitive statements throughout its response. This page limit shall not apply to: State mandatory forms, representations and affirmations, response form(s) and other structured forms required under this RFP.

Each Proposal must contain the following **tabbed sections in the in-line response**:

**Technical Proposal**

1. Cover Letter
2. Supplier Information Form (OBM-5657)
3. Subcontractor Letters
4. Offeror Certification Form
5. MBE Certification
6. Offeror Profile (as it relates to the proposed work)
7. Proposed Solution Supplement 1 Response
8. Acceptance of Supplement 2 – State Architecture and Computing Standards, Security and Privacy, State IT Computing Policy and State Data Handling Requirements
9. Proof of Insurance
10. Payment Address
11. Legal Notice Address
12. W-9 Form
13. Independent Contractor Acknowledgement
14. Standard Affirmation and Disclosure Form (EO 2011-12K)
15. Affirmative Action
16. Attachment 4: General Terms and Conditions Acceptance
17. Attachment 10: Master Contract for Software Licensing (**if applicable**)
18. Attachment 11: Master Cloud Services Agreement (**if applicable**)

**Cost Proposal**

Cost Summary - Microsoft Excel Workbook - Attachment Nine (must be separately sealed, in native Excel format – not PDF)

**Cover Letter.** The cover letter must be in the form of a standard business letter and must be signed by an individual authorized to legally bind the Offeror. The cover letter must include a brief executive summary of the solution the Offeror plans to provide. The letter must also have the following:

- a. A statement regarding the Offerors legal structure (e.g., an Ohio corporation), Federal tax identification number, and principal place of business;
- b. A list of the people who prepared the Proposal, including their titles; and
- c. A statement certifying the Contractor is a business entity and will not submit the Independent Contractor/Worker Acknowledgement to the ordering agency.

**Supplier Information Form.** The Offeror must submit a signed and completed Vendor Information Form (OBM5657). The form is available at: <http://ohiosharedservices.ohio.gov/Suppliers.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 Certification Form.** The Offeror must complete Attachment 6, Offeror Certification Form.

**MBE Certification.** Any Offeror proposing an MBE subcontractor certified by the Department of Administrative Services pursuant to ORC 123.151 must provide a copy of their Ohio MBE Certification.

**Offeror Profile.** Each Proposal response must include a description of the Offeror capability, capacity, and experience in support of the requirements of each Offeror. 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 or relevant experience that will help the State gauge the ability of the Offeror to fulfill the obligations of the Contract.

The Offeror must use the Offeror Profile Summary Form(s) (Attachment Seven) and fill it out completely to provide the required information. All Offerors must demonstrate experience to meet each of the applicable mandatory requirement(s) evaluation criteria by including the Offeror mandatory requirement form provided in this RFP. Each Offeror must meet the applicable mandatory requirement(s) in the RFP. If an Offeror does not meet the applicable mandatory requirement(s), the State may reject the Offerors 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. 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 Offerors 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 Offerors 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 Offerors responsibility to customize the description to clearly substantiate the qualification.
- **Description of how the related service shows the Offerors experience, capability, and capacity to develop the Deliverables and to achieve the milestones within the scope of work of this RFP.**

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 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 Work and requirements described in this RFP. The Offeror may not simply state that the proposed services will meet or exceed the specified requirements. Instead, the Offeror must provide a written narrative that shows that the Offeror understands the requirements of this RFP and how the Offerors proposed services meets those requirements.

- All Supplements are being provided as a Microsoft Word and Excel documents through the State's procurement website as a convenience for responding to the RFP. The supplement's content must not be modified. If the content is modified, reformatted or omitted, the Offerors response may be disqualified. As part of their response, Offerors are to provide native Microsoft Word and Excel based documents that comprise the requirements of a Supplement, inclusive of their response as well as Excel based versions of the embedded Requirements Matrices in Excel format as provided. For the avoidance of doubt, Requirements Matrices must be provided inline in Microsoft Word.

**Acceptance of Supplement 2 – State Architecture and Computing Standards, Security and Privacy, State IT Computing Policy and State Data Handling Requirements.** Offerors must include the entire content of Supplement 2 as a single section in their proposal. The Offerors must include a statement at the beginning of the section indicating that the Offeror has read, understands and agrees to the Requirements contained in Supplement 2.

**Proof of Insurance.** The Offeror must provide the certificate of insurance required by Attachment Four. 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>.

**Independent Contractor Acknowledgement Form.** Unless the Offeror is a "business entity" as that term is defined in ORC. 145.037 ("an entity with five or more employees that is a corporation, association, firm, limited liability company, partnership, sole proprietorship, or other entity engaged in business"), the Offeror must complete and submit an originally signed Independent Contractor Acknowledgement form in its entirety. All other copies of a Proposal may contain copies of the Independent Contractor Acknowledgement form. The Offeror must indicate on the outside of the binder which Proposal contains the originally signed Independent Contractor Acknowledgement form. A current version of the Independent Contractor Acknowledgement form is available at:

<https://www.opers.org/forms-archive/PEDACKN.pdf>

**Standard Affirmation and Disclosure Form (EO 2011-12K).** The Offeror must complete the Affirmation and Disclosure Form as part of its Proposal. Executive Order 2011-12K is available at:

<http://www.governor.ohio.gov/Portals/0/pdf/executiveOrders/EO%202011-12K.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 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.

**Acceptance of Attachment Four – General Terms and Conditions.** Offerors must include the entire content of Attachment Four as a single section in their proposal. The Offerors must include a statement at the beginning of the section indicating that the Offeror has read, understands and agrees to the General Terms and conditions contained in Attachment Four.

**Proposed Changes to Attachment Ten (if applicable).** The State requires the Offeror to complete Attachment Ten, Master Contract for Software Licensing for each Commercial Software License proposed. If the Offeror seeks changes to the Master Contract for Software Licensing, the Offeror must identify those changes, with the precise alternative language the Offeror seeks, and include the markup of the Master Contract for Software Licensing as an attachment to its Proposal. Generalized objections to the Master Contract for Software Licensing's terms and conditions are not acceptable. The State may reject any Proposal with extensive changes to the Master Contract for Software Licensing 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.

**Proposed Changes to Attachment Eleven (if applicable).** The State requires the Offeror to complete Attachment Eleven, the Master Cloud Services Agreement (MCSA). If the Offeror seeks changes to the MCSA, the Offeror must identify those changes, with the precise alternative language the Offeror seeks, and include the markup of the MCSA as an attachment to its Proposal. Generalized objections to the MCSA's terms and conditions are not acceptable. The State may reject any Proposal with extensive changes to the MCSA 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.

**Cost Summary (Must be separately sealed).** This RFP includes Cost Summary Workbook in Microsoft Excel® as Attachments Nine. Offerors may not reformat the State's Cost Summary Workbook. Each Offeror must complete the applicable Cost Summary Workbook in the exact format provided, since the State may reject any Proposal with a reformatted Cost Summary Workbook or that is not separately sealed. (See: Part Three: General Instructions, Proposal Submittal.)

In addition, Offerors must indicate the MBE cost and percentage for each element of the Offerors proposed cost utilizing the Cost Summary Workbooks. The total MBE cost will be the sum of all MBE elements in the Cost Summary Workbooks. The percentage will be the total MBE cost divided by the total Offeror proposed cost.

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

The Offerors total cost for all the 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 selected Offerors Proposal and the State's Request for Proposal (collectively, the "RFP Documents") are a part of this Contract and describe the work (the "Project") the Contractor must do and any materials the Contractor must deliver (the "Deliverables") under this Contract. The Contractor must do the Project in a professional, timely, and efficient manner and must 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 must 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 must 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, 2017. 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 or after 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 Project Representative 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 Contractor's Implementation Manager (e.g., Contractor's Project Manager), the Contractor's Project executive, the State's Project Representative, 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.

Payment of an invoice by the State will not prejudice the State's right to object to or question that or any other invoice or matter in relation thereto. The Contractor's invoice will be subject to reduction for amounts included in any invoice or payment made which are determined by the State not to constitute allowable costs, on the basis of audits conducted in accordance with the terms of this Contract. At the State's sole discretion all payments shall be subject to reduction for amounts equal to prior overpayments to the Contractor.

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 Twelve, 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's Project Representative. 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, liquidated damages or other damages or claims for damages, 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: WORK 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. If the State assigns an IV&V contractor to the Project, the State will obligate the IV&V contractor to a confidentiality provision similar to the Confidentiality Section contained in this Contract. 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 must hold the State harmless for and must 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 or equivalent 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. State audit rights will apply to those Contractor materials that are required to verify the accuracy of a Contractor invoice to the State inclusive of: Contractor personnel timesheets; Contractor purchased or provided equipment for benefit of the State that will remain in the State's possession; State deliverable acceptance documentation; any required State written approvals as required herein; final Work products and deliverables; any partial or incomplete Work products or deliverables that should the Contractor submit for partial compensation from the State as a result of termination of this contract.

**Right to Terminate as a Result of Audit Findings.** In the event the State determines that the results of any examination of the Contractor is unsatisfactory per the requirements of the Contract and not remedied within a 90 day period following written notice from the State, the State may terminate this Agreement, in part or in full.

If the Contractor fails to satisfy the requirements of the State with regard to security of information, or if an examination reveals information that would result in a continuing contractual relationship that causes the State to be in violation of any law, the State may terminate this Contract immediately without notice.

If the Contractor fails to satisfy the requirements of the State with regard to matters not related to items contained in the preceding two (2) paragraphs, the State will provide Contractor with notice and an opportunity to cure the failure within forty-five (45) days. If the failure is not cured by Contractor within such forty-five (45) day period, the State may terminate this Contract without further notice.

**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 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 Contractor shall, for each policy required by this Contract, provide the State with 30-days prior written notice of cancellation, material change, or non-renewal, except a 10-days' notice of non-payment of premium. 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) Technology Errors & Omissions insurance covering the Contractor and its employees with a minimum limit of \$5,000,000 per occurrence and \$5,000,000 aggregate, including coverage for liabilities arising from errors, omissions, or negligent acts in rendering or failing to render computer or information technology services and technology products. Coverage for violation of software copyright shall be included.

Technology services coverage shall, at minimum, include: 1) systems analysis, 2) systems programming, 3) data processing, 4) systems integration, 5) outsourcing, including outsourcing development and design, 6) systems design, consulting, development and modification, 7) management, repair and maintenance of computer products, networks and systems, 8) data entry, modification, verification, maintenance, storage, retrieval or preparation of data output, and any other services provided by under the scope of this contract. Additionally, the Contractor shall provide Privacy/Network Security (Cyber) liability coverage providing liability for privacy breaches, no matter how they occur, system breach, denial or loss of service, introduction, implantation or spread of malicious code and unauthorized access or use of computer systems. There shall be no exclusion or restriction for unencrypted portable devices or media. If such coverage is not part of the Contractor's Technology E&O policy, a separate policy shall be maintained with a minimum limit of \$5,000,000 per occurrence and \$5,000,000 aggregate. If the policy(ies) is written on a "claims-made" basis, the Contractor must provide continuous coverage at the time the policy is renewed. If for any reason the policy expires, or coverage is terminated, the Contractor must purchase "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.

Except for Workers' Compensation and Technology Errors & Omissions insurance, all policies required by this Section shall name the State of Ohio as additional insured. The policies shall stipulate that the insurance shall be primary insurance and that any insurance or self-insurance carried by the State shall be non-contributory.

Waiver of Subrogation: Contractor shall waive, and require its insurers to waive, any and all recovery rights to which any insurer of Contractor may have against the State by virtue of the payment of any loss under any insurance, as required by Ohio law.

### **Background Check of Contractor Personnel**

Contractor agrees that (1) it will conduct 3rd party criminal background checks on Contractor personnel who will perform Sensitive Services (as defined below), and (2) no Ineligible Personnel will perform Sensitive Services under this Agreement. "Ineligible Personnel" means any person who (a) has been convicted at any time of any criminal offense involving dishonesty, a breach of trust, or money laundering, or who has entered into a pre-trial diversion or similar program in connection with a prosecution for such offense, (b) is named by the Office of Foreign Asset Control (OFAC) as a Specially Designated National, or (b) has been convicted of a felony. "Sensitive Services" means those services that (i) require access to Customer/Consumer Information, (ii) relate to the State's computer networks, information systems, databases or secure facilities under circumstances that would permit modifications to such systems, or (iii) involve unsupervised access to secure facilities ("Sensitive Services").

Upon request, Contractor will provide written evidence that all of Contractor's personnel providing Sensitive Services have undergone a criminal background check and are eligible to provide Sensitive Services. In the event that Contractor does not comply with the terms of this section, the State may, in its sole and absolute discretion, terminate this Contract immediately without further liability.

A background check, at the ODPS' expense, may be performed on the designated contact person for assignment to this Agreement. The designated contact person may be required to complete a "FACILITY ACCESS REQUEST" Form DPS0166 furnished by the ODPS. Failure to pass the background check will result in immediate dismissal of the resource, whereupon, the Offeror must submit a replacement resource with equal or better qualifications within the time limits as set forth in the Replacement Personnel section of this RFP below. (See also, SUPPLEMENT FOUR, FACILITY ACCESS REQUEST). Failure of the Offeror to provide resources that pass the background check may result in contract cancellation.

**Replacement Personnel.** If the RFP Documents contain the names of specific people (e.g., Key Project Personnel) 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 affects 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 in full or in part for cause 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 also may terminate this Contract in full or in part for its convenience and without cause or 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, the State will be entitled to cover for the Work 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 Work to the extent that such costs, when combined with payments already made to the Contractor for the Work 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 Contractor fails to deliver Deliverables or provide satisfactory services, the State has the right to withhold any and all payments due to the Contractor without penalty or work stoppage by the Contractor until such failure to perform is cured.

If the termination is for the convenience of the State, the Contractor will be entitled to the Contract price as prorated by the State Contract price for deliverables, products or services accepted by the State and not previously paid for provided in that in no event will total payments exceed the amount payable to the Contractor if the Contract had been fully performed. For items not specifically priced, the State will use fair market value to determine the price owed. The Contractor will use generally accepted accounting principles or equivalent and sound business practices in determining all costs claimed, agreed to, or determined under this clause.

The State will have the option of suspending this Contract in full or in part 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 for cause 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.

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 "Project Representative." The Project Representative 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 Project Representative may

delegate his responsibilities for individual aspects of the Project to one or more managers, who may act as the Project Representative for those individual portions of the Project.

The Contractor's Implementation Manager under this Contract will be the person identified on the RFP Documents as the "Implementation Manager." The Implementation Manager will be the Contractor's liaison with the State under this Contract. The Implementation Manager also will conduct all Project meetings and prepare and submit to the Project Representative 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 Implementation 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.

**Project 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 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 Project Representative. The Contractor will be responsible for all communications regarding the progress of the Project and will discuss with the Project Representative 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 Project Representative 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 Project Representative 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 Contractor Acknowledgement.** It is fully understood and agreed that Contractor is an independent contractor and is not an agent, servant, or employee of the State of Ohio or the Ohio Department of Administrative Services. Contractor declares that it is engaged as an independent business and has complied with all applicable federal, state, and local laws regarding business permits and licenses of any kind, including but not limited to any insurance coverage, workers' compensation, or unemployment compensation that is required in the normal course of business and will assume all responsibility for any federal, state, municipal or other tax liabilities. Additionally, Contractor understands that as an independent contractor, it is not a public employee and is not entitled to contributions from DAS to any public employee retirement system.

Contractor acknowledges and agrees any individual providing personal services under this agreement is not a public employee for purposes of Chapter 145 of the Ohio Revised Code. Unless Contractor is a "business entity" as that

term is defined in ORC. 145.037 (“an entity with five or more employees that is a corporation, association, firm, limited liability company, partnership, sole proprietorship, or other entity engaged in business”) Contractor shall have any individual performing services under this agreement complete and submit to the ordering agency the Independent Contractor/Worker Acknowledgement found at the following link: <https://www.opers.org/formsarchive/PEDACKN.pdf>

Contractor’s failure to complete and submit the Independent/Worker Acknowledgement prior to commencement of the work, service or deliverable, provided under this agreement, shall serve as Contractor’s certification that contractor is a “Business entity” as the term is defined in ORC Section 145.037.

**Ohio MBE Certification.** The MBE must maintain their certification throughout the term of the Contract, including any renewals. Failure to maintain such certification will be considered a breach of the 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 and policy acknowledgements, and have a background check performed before accessing those facilities, data, or systems. Each State agency, board, and commission may require a different confidentiality agreement or acknowledgement, and the Contractor's and its subcontractors' personnel may be required to sign a different confidentiality agreement or acknowledgement for each agency. The Contractor must immediately replace any of its or its subcontractors' personnel who refuse to sign a required confidentiality agreement or acknowledgement or have a background check performed.

**Ownership of Deliverables.** The State owns all Deliverables that the Contractor produces under this Contract, including any software modifications, and 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 Preexisting 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.

The Contractor may use Confidential Information only as necessary for Contractor's performance under or pursuant to rights granted in this Agreement and for no other purpose. The Contractor's limited right to use Confidential Information expires upon expiration or termination of this Agreement for any reason. The Contractor's obligations of confidentiality and non-disclosure survive termination or expiration for any reason of this Agreement.

**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 Ten, 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 Ten. 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.

**Equipment Warranty.** If any electrical equipment, mechanical device, computer hardware, telecommunications hardware, or other type of physical machinery ("Equipment") will be a part of any Deliverable, the following warranties apply. The Contractor warrants that the Equipment fully complies with all government environmental and safety standards applicable to the Equipment. The Contractor also warrants for one year from the acceptance date of the Equipment that the Equipment will perform substantially in accordance with specifications described in the RFP Documents, the user manuals, technical materials, and related writings published by the manufacturer for the Equipment. The foregoing warranties will not apply to Equipment that is modified or damaged after title passes to the State.

The Contractor must notify the State in writing immediately upon the discovery of any breach of the warranties given above.

The Contractor must do the following if any Equipment does not meet the above warranties:

- (a) Cause the Equipment to perform as required, or, if that is not commercially practicable, then;
- (b) Grant the State a refund equal to the amount the State paid for the Equipment or, if such has not been individually priced, the manufacturer's suggested retail price for the Equipment.

Except where the Contractor's breach of a warranty makes it not possible for the State to do so, the State will return the affected Equipment to the Contractor in the case of a refund under the previous paragraph.

**GENERAL EXCLUSION OF WARRANTIES. THE CONTRACTOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, OTHER THAN THOSE EXPRESS WARRANTIES CONTAINED IN THIS CONTRACT.**

**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 of the completed Project. During the performance period, the State, with the assistance of the Contractor, will perform 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 will be 99.9%, unless otherwise specified in the RFP Documents. The performance level for the Project is computed by dividing the sum of the uptime by the number of working hours during the test time. "Uptime" means the total hours, rounded to the nearest quarter hour, during which all components of the Project are operational and all functions of the Project are available to its users. The

number of "working hours" means the total number of working hours for the period during which the Project was scheduled to be available to its users. Uptime and downtime will be measured in hours and quarter hours.

The Project "downtime" is that period when any part of the Project is inoperable due to failure of the Project or a particular Deliverable to operate according to the specifications in the RFP Documents, the user documentation, or the published technical specifications. During a period of downtime, the State may use operable components of the Project when that will not interfere with repair of inoperable components of the Project. Downtime will start from the time the State notifies the Project Manager of the inoperable condition of the Project until the Project is returned in proper operating condition.

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

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 five 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.

**Equipment Maintenance.** If this Contract involves Equipment as a Deliverable, then, upon Equipment delivery and for the life of the contract. The Contractor must provide Equipment maintenance to keep the Equipment in or restore the Equipment to good working order. If the State exercises its right to any optional maintenance periods, the Contractor's obligations hereunder will extend to those periods as well. This maintenance must include preventative and remedial maintenance, installation of safety changes, and installation of engineering changes based upon the specific needs of the individual item of Equipment. This maintenance must include the repair, replacement, or exchange deemed necessary to keep the Equipment in good working condition. For purposes of this Contract, Equipment restored to good working condition means Equipment that performs in accordance with the manufacturer's published specifications and the RFP Documents.

The Contractor must exert its best efforts to perform all fault isolation and problem determination attributed to the Equipment covered under this Contract.

The following services are outside the scope of this Contract:

- a. Maintenance to bring the Equipment into compliance with any law, rule, or regulation if such law, rule, or regulation was not in effect on the acceptance date.
- b. Repair and replacement work or increase in maintenance time as a result of damage or loss resulting from casualty or the State's misuse of the Equipment, damage resulting from improper packing or failure to follow prescribed shipping instructions (if such is done by the State), failure of electrical power, air conditioning or humidity control, use of supplies not approved by the original manufacturer of the Equipment as described or included in the Contractor's Proposal, or causes other than ordinary use of the Equipment.
- c. Furnishing supplies or accessories, making specification changes, or adding or removing approved accessories, attachments, or other devices.
- d. Maintenance or any increase in maintenance time resulting from any maintenance or inappropriate connection to other equipment (not done by the Contractor) that results in damage to the Equipment.
- e. Activities required to restore the Equipment to good operating condition if the problem has resulted from someone other than Contractor's authorized service personnel repairing, modifying, or performing any maintenance service on the Equipment.

**Equipment Maintenance Standards.** This section applies if Equipment will be a Deliverable under this Contract.

The Contractor must complete all remedial Equipment maintenance within eight business hours after notification by the State that maintenance is required. In the case of preventative maintenance, the Contractor must perform such in accordance with the manufacturer's published schedule and specifications. If maintenance is not completed or substitute equipment provided within four hours after notification by the State, the Contractor will be in default.

All maintenance also must meet any standards contained in the RFP Documents. Failure of the Contractor to meet or maintain these requirements will provide the State with the same rights and remedies specified elsewhere in the RFP Documents for default, except that the Contractor will only have eight hours to remedy the default.

The Contractor must provide adequate staff to provide the maintenance required by this Contract.

**Equipment Maintenance Continuity.** This section applies if Equipment will be a Deliverable under this Contract.

If the Contractor is unable to provide maintenance services to meet the State's ongoing performance requirements for Equipment delivered under this Contract, and if, in the State's sole opinion, the Contractor is unlikely to resume providing warranty services that meet the State's ongoing performance requirement, the Contractor will be in default. The State then will be entitled to the remedies in the default section of this Contract. However, the State will also be entitled to the following items from the Contractor: (a) all information necessary for the State to perform the maintenance, including logic diagrams, maintenance manuals and system and unit schematics, as modified by the Contractor; and (b) a listing of suppliers capable of supplying necessary spare parts.

Any information in items (a) and (b) above that is rightfully identified by the Contractor as confidential information will be maintained in confidence by the State, except where disclosure to a third party is necessary for the State to continue the maintenance. However, any third party to whom disclosure is made must agree to hold such proprietary information in confidence and to make no further disclosure of it. Further, any such confidential information will be used solely to perform the Contractor's maintenance obligations hereunder and will be returned to the Contractor upon completion of such use.

**Principal Period of Maintenance (General).** This section applies if software or Equipment will be a Deliverable under this Contract.

The Contractor must make maintenance available twelve working hours per weekday, between 7:00 a.m. and 7:00 p.m. (Columbus, Ohio local time). 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).** This section applies if software or Equipment will be a Deliverable under this Contract.

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).** This section applies if software or Equipment will be a Deliverable under this Contract.

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.

**Time is of the Essence.** Contractor hereby acknowledges that time is of the essence for performance of this Contract unless, otherwise agreed to in writing by the parties.

## **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 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.

**Conflicts of Interest and Ethics Compliance Certification.** None of the Contractor's Personnel may voluntarily acquire any personal interest that conflicts with their responsibilities under this Contract. Additionally, the Contractor may not knowingly permit any public official or public employee who has any responsibilities related to this Contract or the Project to acquire an 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 must disclose to the State knowledge of any such person who acquires an incompatible or conflicting personal interest related to this **Contract**. The Contractor also must take steps to ensure that such a person does not participate in any action affecting the work under this Contract. However, this will not apply when the State has determined, in light of the personal interest disclosed, that person's participation in any such action would not be contrary to the public interest.

**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.

**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/>.

**Use of MBE and EDGE Vendors.** The State encourages Contractor to purchase goods and services from Minority Business Enterprises (MBE) and Encouraging Diversity, Growth, and Equity (EDGE) vendors.

**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 Service Provider affirms it has read and understands Executive Order 2011-12K and will abide by those requirements in the performance of this Agreement. Notwithstanding any other terms of this Agreement, the State reserves the right to recover any funds paid for Services the Service Provider performs outside of the United States for which it did not receive a waiver. The State does not waive any other rights or remedies provided the State in this Agreement.

The Service Provider 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.

**Registration with the Secretary of State.** By providing a Charter Number and signature within the Certification Offer Letter, the Contractor attests that the Contractor is:

An Ohio corporation that is properly registered with the Ohio Secretary of State; or

A foreign corporation, not incorporated under the laws of the state of Ohio, but is registered with the Ohio Secretary of State pursuant to Ohio Revised Code Sections 1703.01 to 1703.31, as applicable.

Any foreign corporation required to be licensed under O.R.C. § 1703.01-1703.31, which transacts business in the state of Ohio, without being so licensed, or when its license has expired or been canceled, shall forfeit not less than \$250.00 nor more than ten thousand dollars. No officer of a foreign corporation (<http://codes.ohio.gov/orc/1703.01>) shall transact business in the state of Ohio, if such corporation is required by O.R.C. § 1703.01-1803.31 to procure and maintain a license, but has not done so. Whoever violates this is guilty of a misdemeanor of the fourth degree. Questions regarding registration should be directed to (614) 4663910, or visit <http://www.sos.state.oh.us>.

**ATTACHMENT FIVE SAMPLE CONTRACT**

**A CONTRACT BETWEEN THE OFFICE OF INFORMATION TECHNOLOGY ON BEHALF OF THE  
\_\_\_\_\_ AND**

\_\_\_\_\_  
**(CONTRACTOR)**

**THIS CONTRACT**, which results from RFP 0A1165, entitled Ohio Bureau of Motor Vehicles Portable Driver Simulator System, is between the State of Ohio, through the Department of Administrative Services, on behalf of the Ohio Department of <Agency> and \_\_\_\_\_ (the "Contractor").

The Contract is the result of agreed upon changes to the RFP its attachments and supplements including any written amendments to the RFP, any materials incorporated by reference in the RFP, the Contractor's Proposal, and written, authorized amendments and clarifications to the Contractor's Proposal. It also includes any purchase orders and change orders issued under the Contract.

This Contract consists of:

1. The one page Contract (Attachment Five) in its final form; and
2. The 0A1165 Ohio Bureau of Motor Vehicles Portable Driver Simulator System Contract dated \_\_\_\_\_, 2015 which includes Attachment Four, Attachments, applicable Supplements and the Cost Proposal Workbooks dated \_\_\_\_\_, 2015.

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 \_\_\_\_\_, 2016, 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: DAS Director

Title: \_\_\_\_\_

Title: Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTACHMENT SIX**

**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 Offerors 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 Offerors 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:

|   |
|---|
| <b>Potential Conflicts (by person or entity affected)</b> |
|---|

|  |
|--|
|  |
|--|

(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 Work 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 Offeror certifies that it's regular, fulltime employees will perform at least 30% of the Work.
7. The following is a complete list of all subcontractors, if any, that the Offeror will use on the Work, 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 to do the Work.

8. The Offeror certifies that that any MBE program participants will provide necessary data to ensure program reporting and compliance.

Provide the following information for a contact person who has authority to answer questions regarding the Offerors 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: 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.

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**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. Principal location of business of Contractor:

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(City, State, Zip)

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

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address, City, State, Zip)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address, City, State, Zip)

2. Location where services will be performed by Contractor:

\_\_\_\_\_  
(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:

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Address, City, State, Zip)

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

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address, City, State, Zip)

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

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(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)

---

(Name)

---

(Address, City, State, Zip)

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(Name)

---

(Address, City, State, Zip)

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(Name)

---

(Address, City, State, Zip)

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Signature

---

Print Name

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Title

---

Date

## ATTACHMENT NINE

**Attachment Nine is included as an electronic form in the Opportunity Description on the State Procurement Website for this RFP.** The Cost Proposal is to be submitted in Microsoft Excel workbook in native Excel format – not PDF.

## ATTACHMENT TEN 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 30<sup>th</sup> 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 30<sup>th</sup> 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:
  - (1) Name and address of the Contractor, as designated in this Contract.
  - (2) The Contractor's federal tax identification number, as designated in this Contract.
  - (3) The Contractor's invoice remittance address, as designated in this Contract.
  - (4) The purchase order number authorizing the delivery of the Software or Support.
  - (5) 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 at any time and without notice to the State. 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 five 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 five 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, 2017. 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 two-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.
3. **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.
4. **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.
5. **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.

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, 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.

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.

6. **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") an NCC company 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.

**7. 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 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 Contractor shall, for each policy required by this Contract, provide the State with 30-days prior written notice of cancellation, material change, or non-renewal, except a 10-days' notice of non-payment of premium. 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.

- 8. 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.
- 9. 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.
- 10. 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 the Software. In the case of defective media or Software containing a virus, the Contractor will have 15 days after written notice to provide a replacement. In the case of other defects, merchantability issues, or fitness issues, the Contractor will have 30 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 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 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 not to exceed seven percent per year. 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 five 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 a.m. to 700 p.m. 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 five 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 Contractor Acknowledgement.** It is fully understood and agreed that Contractor is an independent contractor and is not an agent, servant, or employee of the State of Ohio or the Ohio Department of Administrative Services. Contractor declares that it is engaged as an independent business and has complied with all applicable federal, state, and local laws regarding business permits and licenses of any kind, including but not limited to any insurance coverage, workers' compensation, or unemployment compensation that is required in the normal course of business and will assume all responsibility for any federal, state, municipal or other tax liabilities. Additionally, Contractor understands that as an

independent contractor, it is not a public employee and is not entitled to contributions from DAS to any public employee retirement system.

Contractor acknowledges and agrees any individual providing personal services under this agreement is not a public employee for purposes of Chapter 145 of the Ohio Revised Code. Unless Contractor is a "business entity" as that term is defined in ORC. 145.037 ("an entity with five or more employees that is a corporation, association, firm, limited liability company, partnership, sole proprietorship, or other entity engaged in business") Contractor shall have any individual performing services under this agreement complete and submit to the ordering agency the Independent Contractor/Worker Acknowledgement found at the following link: <https://www.opers.org/forms-archive/PEDACKN.pdf#zoom=80>

Contractor's failure to complete and submit the Independent/Worker Acknowledgement prior to commencement of the work, service or deliverable, provided under this agreement, shall serve as Contractor's certification that contractor is a "Business entity" as the term is defined in ORC Section 145.037.

- 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. 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/>.

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 or equivalent 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.

15. **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.
16. **Governing the Expenditure of Public Funds on Offshore Services (EO 2011-12K).** The Service Provider affirms it has read and understands Executive Order 2011-12K and will abide by those requirements in the performance of this Agreement. Notwithstanding any other terms of this Agreement, the State reserves the right to recover any funds paid for Services the Service Provider performs outside of the United States for which it did not receive a waiver. The State does not waive any other rights or remedies provided the State in this Agreement.

The Service Provider agrees to complete the attached Executive Order 2011-12K Affirmation and Disclosure Form (Attachment Nine of the associated RFP), which is incorporated and becomes a part of this Agreement.

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.

**18. Registration with the Secretary of State.** By providing a Charter Number and signature within the Certification Offer Letter, the Contractor attests that the Contractor is:

An Ohio corporation that is properly registered with the Ohio Secretary of State; or

A foreign corporation, not incorporated under the laws of the state of Ohio, but is registered with the Ohio Secretary of State pursuant to Ohio Revised Code Sections 1703.01 to 1703.31, as applicable.

Any foreign corporation required to be licensed under O.R.C. § 1703.01-1703.31, which transacts business in the state of Ohio, without being so licensed, or when its license has expired or been canceled, shall forfeit not less than \$250.00 nor more than ten thousand dollars. No officer of a foreign corporation (<http://codes.ohio.gov/orc/1703.01> ) shall transact business in the state of Ohio, if such corporation is required by O.R.C. § 1703.01-1803.31 to procure and maintain a license, but has not done so. Whoever violates this is guilty of a misdemeanor of the fourth degree. Questions regarding registration should be directed to (614) 466-3910, or visit <http://www.sos.state.oh.us> .

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

**FOR THE CONTRACTOR:  
CONTRACTOR NAME**

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

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

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

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Title: Director of DAS**

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

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

**PRICE HOLD ADDENDUM NUMBER [000000.00]**

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 that 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 Contract as of the dates appearing below.

**FOR THE CONTRACTOR:  
CONTRACTOR NAME**

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

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

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

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Title:** Director of DAS

**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>  | <b>Locations</b>          |
|---|---------------------------|
| 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 Contract as of the dates appearing below.

**FOR THE CONTRACTOR:  
CONTRACTOR NAME**

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

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

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

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Title: Director of DAS**

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

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

**ATTACHMENT ELEVEN MASTER CLOUD SERVICES AGREEMENT (MCSA NUMBER [000000])**

**<Service Provider>**  
**Master Cloud Services Agreement**  
**MCSA00**

**THIS MASTER CLOUD SERVICES AGREEMENT (“Agreement”)** is by and between \_\_\_\_\_ (“Service Provider”), having an office at \_\_\_\_\_, and the State of Ohio (“State”), through its Department of Administrative Services (“DAS”), having its principal place of business at 30 East Broad Street, 40<sup>th</sup> Floor, Columbus, OH 43215. The State and the Service Provider also are sometimes referred to jointly as the "Parties" or individually as a “Party”. The effective date of this Agreement is the date it is signed on behalf of the State (“Effective Date”).

**1. General Information**

**1.1. Organization**

This Agreement covers subscriptions to cloud services through one or more attachments (“Service Attachments”) that describe the cloud offerings (“Services”) that the Service Provider makes available to its Subscribing Entity by subscription and that it is authorized to sell to the State. The Service Attachments describe the Services the Service Provider offers under this Agreement, along with any special terms or conditions applicable only to those Services, descriptions of those Services, features, and all fees associated with such Services, as well as any other provisions to which the Parties have agreed with respect to the those Services. Such Service Attachments, when executed by the Parties, are incorporated into this Agreement and become a part hereof.

**1.2. Subscribing Entities**

A “Subscribing Entity” means State agencies, boards, and commissions that place requests through the State’s Ordering System described in another section (“Orders”) under this Agreement for any of the Services identified by one or more Service Attachments to this Agreement. And it includes other entities of the State, such as the legislative and judicial branches of State government and the independent offices of elected State officials that place Orders under this Agreement. It also means the Cooperative Purchasing Members, defined in the next section, that place Orders under this Agreement.

**1.3. Cooperative Purchasing Members**

“Cooperative Purchasing Members” are entities that qualify for participation in the State’s cooperative purchasing program under Section 125.04 of the Ohio Revised Code (“ORC”) and that have completed the steps necessary to participate in that program. They may include Ohio political subdivisions, such as counties, townships, municipal corporations, school districts, conservancy districts, township park districts, park districts created under Chapter 1545 of the ORC, regional transit authorities, regional airport authorities, regional water and sewer districts, and port authorities. They also may include any Ohio county board of

elections, private fire companies, private, nonprofit emergency medical service organizations, and chartered nonpublic schools.

#### 1.4. Term

The current General Assembly cannot commit a future General Assembly to any expenditure. Therefore, this Agreement along with all Service Attachments will automatically expire at the end of the State's current biennium, which is June 30, 2017.

#### 1.5. Agreement – Renewal

The State may renew this Agreement in the next biennium by issuing written notice to the Service Provider of the decision to do so. Renewals will be initiated by the State in writing at least 30 days before the expiration of the then current Term. This expiration and renewal procedure will also apply to the end of any subsequent biennium.

#### 1.6. Service Attachment(s) – Renewal

Along with renewal of this Agreement, the State may renew any or all Service Attachments for the next biennium by issuing written notice to the Service Provider of the decision to do so. Renewals will be initiated by the State at least 30 days before the expiration of the then current Term. This expiration and renewal procedure will also apply to any subsequent biennium.

After the first renewal, the Parties agree that pricing of Services under any Service Attachment may be renegotiated to reflect more favorable rates to the State. Upon termination of this Agreement, all rights of the Subscribing Entities to order new Services cease and the Service Provider may not fulfill any such requests for any Subscribing Entity under this Agreement. Further, all existing Service Attachments and all existing Orders under those Service Attachments also will terminate, except to the extent that the Service Provider has any prepaid Services to perform.

The Subscribing Entities have the option anytime during the Agreement's Term to upgrade to a new technology or Service offering with the Service Provider without incurring any charges for terminating the existing technology or Service offering before the agreed upon Term of the Subscribing Entity's Order ("Early Termination Charge"), if any such charge is provided for in the applicable Service Attachment.

#### 1.7. Relationship of the Parties and Subscribing Entities

The Parties are independent contractors and nothing herein creates or implies an agency relationship, joint venture, or partnership between the Parties. The Service Provider and its officers, employees, contractors, and subcontractors who may attend meetings and work in other situations where their independent contractor status is not obvious to third parties must identify themselves as such to avoid creating an impression that they are State representatives. In addition, neither the Service Provider nor its officers, employees, contractors, or subcontractors may make any representation that they are acting, speaking, representing, or otherwise advocating any position, agreement, service, or otherwise on behalf of the State or any Subscribing Entity.

## 1.8. Dealers and Distributors

The State authorizes the Service Provider to name one or more dealers to work with the State on behalf of the Service Provider. But if the Service Provider decides to use any dealers, the Service Provider must submit the name, principal business address, addresses for Orders and for payments, telephone number, and its federal tax identification number. The Service Provider also must submit a completed W9 form for each dealer it wishes to name under this section. The Service Provider's submission must be on its official letterhead, signed by an authorized representative, and addressed to the address listed in Section 9.26.

In doing so, the Service Provider warrants that:

- i. the Service Provider has provided the dealer with a copy of this Agreement, and a duly authorized representative of the dealer has agreed, in writing, to be bound by the terms and conditions in this Agreement.
- ii. such agreement specifically provides that it is for the benefit of the State as well as the Service Provider.
- iii. the Service Provider will remain liable under this Agreement for the Services of its dealers and will remedy any breach of any of its dealers under this Agreement.
- iv. payments under this Agreement for the Services of any dealer may be made directly to that dealer, and the Service Provider will look solely to the dealer for any payments due to the Service Provider once the State has paid the dealer.
- v. to the extent that there is any liability to the State arising from doing business with a dealer that has not signed the Agreement required under this section with the Service Provider, the Service Provider will indemnify the State for such liability.

If the Service Provider wants to designate a dealer that will not receive payments (a "distributor"), the Service Provider may do so by identifying the person or organization as a distributor in the authorizing letter. In such cases, information regarding taxpayer identification and payment addressing may be omitted, as may the distributor's W9 form. All other requirements and obligations for designating a dealer apply to designating a distributor.

The State strongly encourages the participation of small and disadvantaged businesses in its contracting programs and has created certification programs for Minority Business Enterprises (MBEs) and to Encourage Diversity Growth and Equity (EDGE) in State contracting.

## 1.9. Audits and Reports

During the Term of this Agreement and for three years after its termination, on reasonable notice and during customary business hours, the State may audit the Service Provider's records and other materials that relate to the Services performed under this Agreement, to any billing or invoices under the Agreement, or to pricing representations that the Service Provider made to acquire this Agreement. This audit right also will apply to the State's duly authorized representatives and any organization providing funding for any Order hereunder.

The Service Provider must make such records and materials available to the State within 15 days after receiving the State's written notice of its intent to audit the Service Provider's records and must notify the State as soon as the records are ready for audit.

If any audit reveals any material misrepresentation, overcharge to the State, or violation of the Terms of this Agreement, the State will be entitled to recover its damages, including the cost of the audit.

The State also may require various reports from the Service Provider related to the Services. Such reports include those identified in Section 7.6 and those identified in any Service Attachment. Further, the State will be entitled to any other reports that the Service Provider makes generally available to its other customers without additional charge. The State's rights under this section will apply to all Services provided to all Subscribing Entities under this Agreement, but a Subscribing Entity's rights to reports will apply solely to Services it orders or receives under this Agreement.

#### 1.10. Subscribing Entities' Reliance on Agreement

Subscribing Entities may rely on this Agreement. But whenever a Subscribing Entity is a Cooperative Purchasing Member and relies on this Agreement to issue an Order, the Subscribing Entity will step into the shoes of the State under this Agreement for purposes of its Order, and, as to the Subscribing Entity's Order, this Agreement will be between the Service Provider and that Subscribing Entity. The Service Provider must look exclusively to that Subscribing Entity for performance, including but not limited to payment, and must hold the State harmless with regard to such Orders and the Subscribing Entity's performance. But the State, through DAS, will have the right to terminate this Agreement and seek such remedies on termination as this Agreement provides should the Service Provider fail to honor its obligations under an Order from any Subscribing Entity, whether a Cooperative Purchasing Member or not.

#### 1.11. Third-Party Suppliers

The Service Provider must incorporate the costs of any third-party supplies and services in the Service Provider's fees identified on the applicable Service Attachment under this Agreement.

The Service Provider's use of other suppliers does not mean that the State will pay for them. The Service Provider will be solely responsible for payment of its suppliers and any claims of those suppliers for any failure of the Service Provider to meet its obligations under this Agreement in the required manner. The Service Provider will hold the State harmless and indemnify the State against any such claims.

The Service Provider assumes responsibility for all Services provided under this Agreement whether it or one of its suppliers provides them in whole or in part. Further, the Service Provider will be the sole point of contact with regard to contractual matters, including payment of all charges resulting from the Agreement and all Service requests.

#### 1.12. Non-Exclusivity

This Agreement is non-exclusive and is not a requirements contract. Nothing herein prevents either Party from entering into similar agreements with other entities.

### 1.13. Competitive Pricing and Services

For the purposes of maintaining pricing and Service competitiveness through the Term of the Agreement, the Service Provider agrees to an annual joint review of its pricing and Service offerings. The annual review will include, but need not be limited to, a like-customer review wherein the Service Provider must provide an analysis that includes both retail and wholesale prices of the similar services it provides to other customers similar to the State to ensure the State and the Subscribing Entities are receiving cost-competitive and technologically competitive Services. Written amendments to the Service Attachments to reduce fees and introduce technological Service improvements may be submitted throughout the Term of the Agreement.

### 1.14. Conflict Resolution

If a Party is noncompliant with any term or condition of this Agreement or if a dispute arises under this Agreement, the Party raising the dispute may provide to the other Party written notice referencing this section and specifying the nature of the dispute (the "Dispute Notification"). The Parties then will seek to resolve the dispute in accordance with the procedures in this Section.

All disputes will be submitted first to the State's Contract Category Manager and the Service Provider's Account Manager (or equivalent) for resolution. For 15 days from receipt of the Dispute Notification ("Dispute Date"), the State's Contract Category Manager and Service Provider's Account Manager will meet in person or by telephone as often as is reasonably necessary to discuss and attempt to resolve the dispute in good faith.

If after the 15 days identified above, the State's Contract Category Manager and the Service Provider's Account Manager are unable to resolve the dispute, the Parties will then submit the dispute to the State's IT Contract Administrator and to the Service Provider's Sales Director (or equivalent) for resolution. For the next 15 days, the State's IT Contract Administrator and Service Provider's Sales Director will meet in person or by telephone as often as is reasonably necessary to discuss and attempt to resolve the dispute in good faith.

If following the 15 days in the previous section, the State's IT Contract Administrator and the Service Provider's Sales Director are unable to resolve the dispute, the Parties will then submit the dispute to the State's Chief Information Officer ("CIO") or a designee and to the Service Provider's Vice President of Sales (or equivalent executive) for resolution. For the next 15 days, the State's CIO and Service Provider's Vice President will meet in person or by telephone as often as is reasonably necessary to discuss and attempt to resolve the dispute in good faith. If the State's CIO and Service Provider's Vice President are unable to resolve the dispute within that time, the Parties will nevertheless continue to retain their rights to initiate formal proceedings hereunder.

The specific format for such discussions will be left to the discretion of the representatives of the State and Service Provider responsible for attempting to resolve the dispute, but each Party

will involve the business and legal resources reasonably necessary to attempt in good faith to resolve the dispute at the earliest possible time and without undue delay.

If the Parties are unable to resolve the dispute and the dispute involves a claim that the Service Provider is noncompliant with its obligations hereunder or has overcharged for a Service, the State or affected Subscribing Entities may withhold payment for any Services that are the subject of the dispute until the Service Provider cures the noncompliance, the Parties arrive at an agreement to resolve the dispute, or a Party obtains a resolution in a court of competent jurisdiction.

Nothing in this Section is intended to limit the rights provided under Section 6 or be a prerequisite to exercising those rights.

Once the dispute has been resolved, any payments withheld will be handled in the following manner:

If the resolution was in favor of the State or one or more Subscribing Entities, the Service Provider will issue a credit on the next invoice for the affected Subscribing Entities. If the credit exceeds the Service charges on the next invoice or an invoice will not be issued within 60 days of the resolution, the Service Provider will issue payment in the form of a check in the amount exceeding the Service charges or for the full amount if an invoice will not be issued within 60 days. Any such checks must be issued within that 60-day period.

If in favor of the Service Provider, the affected Subscribing Entities will submit appropriate payment within 30 days of receiving notification of the resolution at the office designated to receive the invoice.

In either of the above cases, the amount or amounts withheld by the State or Subscribing Entity(s) will be taken into account in calculating any amount(s) due.

## **2. General Requirements for Cloud Services**

### **2.1. Standards**

All Service subscriptions must provide a Service that maintains a redundant infrastructure that will ensure access for all of the State's enrolled users in the event of failure at any one of the Service Provider locations, with effective contingency planning (including back-up and disaster recovery capabilities) and 24x7 trouble shooting service for inquiries, outages, issue resolutions, etc. All such Services must be dependable and provide response rates that are as good as or better than industry standards. They also must meet the Service Level Agreements ("SLAs") provided in the applicable Service Attachment and be supported with sufficient connectivity and computing resources to handle reasonably anticipated peak demand, and the Service Provider must ensure that sufficient bandwidth and computing resources are dedicated to the Services to meet peak demand times without material degradation in performance.

The Services must also operate at the moderate level baseline as defined in the National Institute of Standards and Technology (“NIST”) 800-53 Rev. 4 moderate baseline requirements, be consistent with Federal Information Security Management Act (“FISMA”) requirements, and offer a customizable and extendable capability based on open-standards APIs that enable integration with third party applications. Additionally, they must provide the State’s systems administrators with 24x7 visibility into the services through a real-time, web-based “dashboard” capability that enables them to monitor, in real or near real time, the Services’ performance against the established SLAs and promised operational parameters.

The Service Provider has and will continue to use its best efforts through quality assurance procedures to ensure that there are no viruses or malware or undocumented features in its infrastructure and Services and that they do not contain any embedded device or code (e.g., time bomb) that is intended to obstruct or prevent any use of or access to them by the Subscribing Entities. Notwithstanding any rights granted under the Agreement or at law, the Service Provider hereby waives under any and all circumstances any right it may have or may hereafter have to exercise electronic self-help.

User access to the Services must be capable of being integrated with a Subscribing Entity’s Active Directory (or other Lightweight Directory Access Protocol (LDAP) service) to support single sign-on capability for users and to ensure that every user is tied to an Active Directory or other LDAP account and to prevent user access when a user is disabled or deleted in the applicable Subscribing Entity’s Active Directory or other LDAP service.

The Service Provider must obtain an annual *Statements on Standards for Attestation Engagements* (“SSAE”) No. 16, Service Organization Control 1 Type 2, audit. The audit must cover all operations pertaining to the Services covered by this Agreement. The audit will be at the sole expense of the Service Provider and a copy of it must be provided to the State within 30 days of its completion each year.

At no cost to the State, the Service Provider must immediately remedy any issues, material weaknesses, or other items identified in each audit as they pertain to the Services.

## 2.2. Object Reassignment

Any Service subscriptions that are provided by the number of items that may be used by or in conjunction with it, such as nodes, users, or connections (“Objects”), may be reassigned to other, similar Objects within the Subscribing Entity at any time and without any additional fee or charge. For example, a named user subscription 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 subscription. Should a Subscribing Entity require a special code, a unique key, or similar item to reassign the subscription as contemplated by this section, the Service Provider will provide such a code, key, or similar item to the Subscribing Entity at any time and without a fee or charge. A later section in this Agreement governs assignment of a Subscribing Entity’s subscription to any Service to a successor in interest.

### 2.3. Generated Files

“Generated Files” are files storing information, instructions, or data that a Subscribing Entity creates or modifies using the Service Provider’s Services and in which the data or other information was provided or created by a Subscribing Entity. Such Generated Files are also included in the definition of “Subscribing Entity’s Data” in a later section of this Agreement. 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 Service Provider provided to a Subscribing Entity also would be considered Generated Files. As between the Subscribing Entity and the Service Provider, the Subscribing Entity will own all Generated Files that the Subscribing Entity prepares by using the Services, excluding such portions of the Generated Files that consist of embedded portions of the Software. The Service Provider or its licensors will retain ownership of any portions of the Software embedded into Generated Files. But the Service Provider grants to the Subscribing Entity a nonexclusive, royalty-free right to reproduce and distribute to third parties any portions of the intellectual property embedded in any Generated Files that the Subscribing Entity creates while using the Services in the manner in which the Services are designed to be used. In the Subscribing Entity’s distribution of the Generated Files, the Subscribing Entity may not use the Service Provider’s name, logo, or trademarks, except to the extent that such are incorporated in such Generated Files by the design of a Service when used as intended.

### 2.4. Service Provider Warranties

The Service Provider warrants that:

- i.* it has validly entered into this Agreement and has the legal power to do so,
- ii.* the Services will perform materially in accordance with the applicable user guide and the requirements of this Agreement,
- iii.* subject to any limitations specified in the applicable Service Attachment, the functionality of the Services will not be materially decreased during a subscription Term, and
- iv.* it will not transmit viruses, worms, time bombs, Trojan horses and other harmful or malicious code, files, scripts, agents or programs (“Malicious Code”) to a Subscribing Entity, provided it is not a breach of this subpart ,

For any breach of a warranty above, the State’s and individual Subscribing Entities’ remedies will be as provided in the section of this Agreement dealing with termination.

Failure of the Service Provider to meet any SLAs in an applicable Service Attachment will not be considered a breach of this warranty section unless the State reasonably determines that the failure is persistent or extended in duration.

**Note:** Any terms and conditions that may be incorporated in a User Guide that conflicts with the MCSA or SA, the MCSA and SA will prevail.

## 2.5. State and Subscribing Entities Responsibilities

The State and each Subscribing Entity will be responsible for their respective compliance with this Agreement. Additionally, each Subscribing Entity will:

- i. be responsible for the accuracy, quality, and legality of its data and of the means by which the data was acquired,
- ii. use commercially reasonable efforts to prevent unauthorized access to or use of the Services to which it subscribes and notify the Service Provider promptly of any unauthorized access or use of which it becomes aware, and
- iii. use the Services only in accordance with the applicable user guide, to the extent it is not inconsistent with this Agreement, applicable laws, and government regulations.
- iv. because of the sensitive nature of performing security and compliance checks on Assets, The State represents and warrants that The State has full right, power, and authority to consent to have the Service test for vulnerabilities, compliance checking, or, as applicable, malware ("scan") the Assets identified to Service Provider for scanning, whether electronically or by any other means, whether at the time of initial Registration or thereafter, and
- v. The State may access the Service's user interface to reproduce solely for The State's own internal business purposes only such vulnerability, configuration checks and/or malware test results as set forth in the Reports.

A Subscribing Entity may not:

- i. intentionally make the Services available to anyone other than its employees and contractors acting on the State's behalf,
- ii. sell, resell, rent or lease the Services,
- iii. use the Services to store or transmit infringing, libelous, or otherwise unlawful or tortious material, or to store or transmit material in violation of third-party privacy rights,
- iv. intentionally use the Services to store or transmit Malicious Code,
- v. intentionally interfere with or disrupt the integrity or performance of the Services or third-party data contained therein, or
- vi. attempt to gain unauthorized access to the Services or their related systems or networks.

## 3. Insurance, Indemnification, Limitation of Liability

### 3.1. Insurance

The Service Provider must provide the following insurance coverage at its own expense throughout the Term of this Agreement to the State:

- i. Workers' compensation insurance, as required by Ohio law, and if some work will be done outside Ohio, the laws of the appropriate states where work will be done. The Service Provider also must maintain employer's liability insurance with at least a \$1,000,000.00 limit.

- ii. 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 Service Provider's Commercial General Liability must be primary over any other insurance coverage.

- iii. Commercial Automobile Liability insurance with a combined single limit of \$500,000. The policy must be endorsed to include a waiver of subrogation.
- iv. Professional Liability insurance covering all staff with a minimum limit of \$1,000,000 per incident and \$3,000,000 aggregate. If the Service Provider's policy is written on a "claims made" basis, the Service Provider 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 Service Provider must purchase and maintain "tail" coverage through the applicable statute of limitations.

All certificates 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 and must identify this Agreement. All carriers must have at least an "A-" rating by A.M. Best.

Any Subscribing Entity that is a Cooperative Purchasing Member that Orders Services also may require a certificate of insurance from the Subscribing Entity naming it as an additional insured.

Whenever a Subscribing Entity locates its equipment at facilities owned or controlled by the Service Provider or one of its contractors, the Service Provider must maintain:

- i. property insurance insuring the equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement used by the Service Provider for its own property or that in common use in the industry, and any other risks reasonably required and covered by the Service Provider's insurance. The coverage must be in an amount at least equal to the reasonable replacement value of the equipment, and
- ii. workers' compensation coverage as required by the laws of the State in which the equipment is located. The Service Provider must furnish evidence of the coverage throughout each Order's Term.

All such insurance must be with insurers that are authorized to issue such insurance in the state. All such property insurance shall name the applicable Subscribing Entity as the loss payee. All such insurance also must contain a provision to the effect that it cannot be canceled or modified without first giving written notice thereof to the Service Provider and the applicable Subscribing Entities without at least 30 days written notice. Such changes may not become effective without the applicable Subscribing Entities' prior written consent.

### 3.2. Indemnification for Bodily Injury and Property Damage

The Service Provider must indemnify the State and the Subscribing Entities against all liability or expense resulting from bodily injury to any person (including death) or damage to property arising out of its performance under this Agreement, provided such bodily injury or property damage is due to the negligence or other tortious conduct of the Service Provider, its employees, agents, or subcontractors.

### 3.3. Indemnification for Infringement

The Service Provider will release, protect, indemnify, defend, and hold the State and the Subscribing Entities harmless from and against any claims of infringement by any third parties based on any Service provided under this Agreement. Any defense of the State or a State Subscribing Entity requires and is subject to the approval and consent of the Ohio Attorney General. Any such defense will be at the Service Provider's sole cost and expense. Further, the Service Provider will indemnify the State and Subscribing Entities for any liability resulting from any such claims, demands, or suits, as well as hold the State and the Subscribing Entities harmless for the Service Provider's liability, losses, and damages resulting from such. This obligation of defense and indemnification will not apply where the State or a Subscribing Entity has modified or misused the Service and the claim or the suit is based on the modification or misuse. The State or affected Subscribing Entity or Entities agrees to give the Service Provider notice of any such claim as soon as reasonably practicable and to allow the Service Provider to control the defense of 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 Service Provider reasonably believes that an infringement or similar claim that is pending actually may succeed, the Service Provider will do one of the following four things as soon as reasonably possible to avoid or minimize any interruption of the Subscribing Entities business:

- i. Modify the offending Service so that it is no longer infringing but provides substantially the same functionality as before the modification;
- ii. Replace the offending Service with an equivalent or better offering;
- iii. Acquire the right for the Subscribing Entities to use the infringing Service as it was intended for the Subscribing Entities to use under this Agreement; or
- iv. Terminate the infringing Service and refund the amount the Subscribing Entities paid for the Service and the amount of any other Service that requires the availability of the infringing Service for it to be useful to the Subscribing Entities.

### 3.4. Limitation of Liability - State

The State's and Subscribing Entities' combined total liability for damages, whether in contract or in tort, will not exceed two times the amount of compensation payable to Service Provider for the previous 12 months of Service related to the Service Attachment under which the damages occurred or the amount of direct damages incurred by the Service Provider, whichever is less.

### 3.5. Limitation of Liability - Service Provider

The Service Provider will be responsible for any liability, claims, losses and damages arising out of the performance of this Agreement provided such liability, claim, loss or damage is due to the fault or negligence of the Service Provider, its employees, agent, subcontractors or affiliates.

NOTWITHSTANDING THE PREVIOUS SENTENCE AND EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY, ITS AFFILIATES OR CONTRACTORS WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, EXEMPLARY, OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS, EVEN IF THE PARTY KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.

## 4. Confidentiality and Handling of Data

### 4.1. Confidentiality

The State may disclose to the Service Provider 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 Service Provider will remain with the State. The Service Provider 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 interests of the public, other contractors or potential contractors with the State, or individuals or organizations about whom the State keeps information. The Service Provider may not disclose any Confidential Information to third parties and must use it solely to perform under this Agreement.

If any Service delivered under this Agreement contains data, documentation, or other written information that is confidential in nature and properly labeled as such, then it also will be Confidential Information for purposes of this section. The State will keep all such Confidential Information in confidence and will not use it other than as authorized under this Agreement. Nor will the State disclose any such Confidential Information to any third party without first obligating the third party to maintain the secrecy of the Confidential Information.

If one party discloses Confidential Information ("Disclosing Party") to the other party to this Agreement ("Receiving Party"), the Receiving Party's obligation to maintain the confidentiality of the Confidential Information will not apply where such:

- i. was already in the possession of the Receiving Party without an obligation of confidence;
- ii. is independently developed by the Receiving Party, provided documentary evidence exists to support the independent development;

- iii. except as provided in the next paragraph, is or becomes publicly available without a breach of this Agreement;
- iv. is rightfully received by the Receiving Party from a third party without an obligation of confidence;
- v. is disclosed by the Receiving Party with the written consent of the Disclosing Party; or
- vi. is released under a valid order of a court or governmental agency, provided that the Receiving Party:
  - a. Notifies the Disclosing Party of the order immediately upon receipt of it, unless it is legally prohibited from doing so; and
  - b. Makes a reasonable effort to obtain a protective order from the issuing court or agency limiting the 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, is nevertheless sensitive in nature and may not be disclosed or used in any manner except as expressly authorized in this Agreement. Therefore, item (iii) in the preceding paragraph does not apply, and the Service Provider must treat such information as Confidential Information whether it is available elsewhere or not.

The Receiving Party must return all originals of any Confidential Information and destroy any copies it has made on termination or expiration of this Agreement.

The disclosure of the Confidential Information of the Disclosing Party in a manner inconsistent with the Terms of this provision may cause the Disclosing Party irreparable damage for which remedies other than injunctive relief may be inadequate, and each Receiving Party agrees that in the event of a breach of the Receiving Party's obligations hereunder, the Disclosing Party will be entitled to seek temporary and permanent injunctive relief to enforce the provisions of this Agreement without the necessity of proving actual damages. However, this provision does not diminish or alter any right to claim and recover damages.

This Agreement is not Confidential Information. All its terms and conditions, including pricing and any attachments, represent public information.

#### 4.2. Public Records Requests.

Should the Service Provider receive any public records request with respect to any Subscribing Entity's Data, the Service Provider will immediately notify the affected Subscribing Entity or Entities and fully cooperate with the affected Subscribing Entity or Entities as it or they direct.

#### 4.3. Handling of Subscribing Entity's Data

“Subscribing Entity’s Data” is any information, data, files, or software that a Subscribing Entity uses or stores on or in conjunction with the Services, including but not limited to Generated Files. The Service Provider must use due diligence to ensure computer and telecommunications systems and Services involved in storing, using, or transmitting Subscribing Entity’s Data are secure and to protect that data from unauthorized disclosure, modification, or destruction. To accomplish this, the Service Provider must comply with all applicable National Institute of Standards and Technology (“NIST”) standards for Moderate Impact systems and:

- i. apply appropriate risk management techniques to ensure security for all sensitive data, including but not limited to any data identified as Confidential Information elsewhere in this Agreement.
- ii. ensure that its internal security policies, plans, and procedures address the basic security elements of confidentiality, integrity, and availability.
- iii. maintain plans and policies that include methods to protect against security and integrity threats and vulnerabilities, as well as detect and respond to those threats and vulnerabilities.
- iv. maintain appropriate identification and authentication process for information systems and services associated with Subscribing Entity’s Data.
- v. maintain appropriate access control and authorization policies, plans, and procedures to protect system assets and other information resources associated with Subscribing Entity’s Data.
- vi. implement and manage security audit logging on information systems, including computers and network devices.

The Service Provider must maintain a robust boundary security capacity that incorporates generally recognized system hardening techniques. This includes determining which ports and services are required to support access to systems that hold Subscribing Entity’s Data, limiting access to only these points, and disabling all others. To do this, the Service Provider must use assets and techniques such as properly configured firewalls, a demilitarized zone for handling public traffic, host-to-host management, Internet protocol specification for source and destination, strong authentication, encryption, packet filtering, activity logging, and implementation of system security fixes and patches as they become available. The Service Provider must use two-factor authentication to limit access to systems that contain Subscribing Entity’s Data.

Unless a Subscribing Entity instructs the Service Provider otherwise in writing, the Service Provider must assume all Subscribing Entity’s Data is both confidential and critical for Subscribing Entity operations, and the Service Provider’s security policies, plans, and procedure for the handling, storage, backup, access, and, if appropriate, destruction of that data must be commensurate to this level of sensitivity. As part of the Service Provider’s protection and control of access to and use of data, the Service Provider must employ appropriate intrusion and attack prevention and detection capabilities. Those capabilities must track unauthorized access and attempts to access Subscribing Entity’s Data, as well as attacks on the Service Provider’s infrastructure associated with Subscribing Entity’s Data. Further, the Service Provider must monitor and appropriately address information from its system tools used to prevent and detect unauthorized access to and attacks on the infrastructure associated with Subscribing Entity’s Data.

The Service Provider must use appropriate measures to ensure that Subscribing Entity's Data is secure before transferring control of any systems or media on which Subscribing Entity's Data is stored. The method of securing the data must be appropriate to the situation and may include erasure, destruction, or encryption of the data before transfer of control. The transfer of any such system or media must be reasonably necessary for the performance of the Service Provider's obligations under this Agreement.

The Service Provider must have a business continuity plan in place. The Service Provider must test and update the IT disaster recovery portion of its business continuity plan at least annually. The plan must address procedures for response to emergencies and other business interruptions. Part of the plan must address backing up and storing data at a location sufficiently remote from the facilities at which the Service Provider maintains Subscribing Entity's Data in case of loss of that data at the primary site. The plan also must address the rapid restoration, relocation, or replacement of resources associated with Subscribing Entity's Data in the case of a disaster or other business interruption. The Service Provider's business continuity plan must address short- and long-term restoration, relocation, or replacement of resources that will ensure the smooth continuation of operations related to Subscribing Entity's Data. Such resources may include, among others, communications, supplies, transportation, space, power and environmental controls, documentation, people, data, software, and hardware. The Service Provider also must provide for reviewing, testing, and adjusting the plan on an annual basis.

The Service Provider may not allow Subscribing Entity's Data to be loaded onto portable computing devices or portable storage components or media unless necessary to perform its obligations under this Agreement properly. Even then, the Service Provider may permit such only if adequate security measures are in place to ensure the integrity and security of the data. Those measures must include a policy on physical security for such devices to minimize the risks of theft and unauthorized access that includes a prohibition against viewing sensitive or confidential data in public or common areas. At a minimum, portable computing devices must have anti-virus software, personal firewalls, and system password protection. In addition, Subscribing Entity's Data must be encrypted when stored on any portable computing or storage device or media or when transmitted from them across any data network. The Service Provider also must maintain an accurate inventory of all such devices and the individuals to whom they are assigned.

Any encryption requirement identified in this provision must meet the NIST standards identified above.

The Service Provider must have reporting requirements for lost or stolen portable computing devices authorized for use with Subscribing Entity's Data and must report any loss or theft of such to the State in writing as quickly as reasonably possible. The Service Provider also must maintain an incident response capability for all security breaches involving Subscribing Entity's Data whether involving mobile devices or media or not. The Service Provider must detail this capability in a written policy that defines procedures for how the Service Provider will detect, evaluate, and respond to adverse events that may indicate a breach or attempt to attack or access Subscribing Entity's Data or the infrastructure associated with Subscribing Entity's Data.

In case of an actual security breach that may have compromised Subscribing Entity's Data, including but not limited to loss or theft of devices or media, the Service Provider must notify the Subscribing Entity in writing of the breach within 24 hours of the Service Provider becoming aware of the breach, and fully cooperate with the Subscribing Entity to mitigate the consequences of such a breach. This includes any use or disclosure of the Subscribing Entity's Data that is inconsistent with the Terms of this Agreement and of which the Service Provider becomes aware, including but not limited to, any discovery of a use or disclosure that is not consistent with this Agreement by an employee, agent, or subcontractor of the Service Provider.

The Service Provider must give affected Subscribing Entities full access to the details of the breach and assist each Subscribing Entity in making any notifications to potentially affected people and organizations that the affected Subscribing Entities deem are necessary or appropriate. The Service Provider must document all such incidents, including its response to them, and make that documentation available to the affected Subscribing Entities on request. In addition to any other liability under this Agreement related to the Service Provider's improper disclosure of Subscribing Entity's Data, and regardless of any limitation on liability of any kind in this Agreement, the Service Provider will be responsible for acquiring one year's identity theft protection service on behalf of any individual or entity whose personally identifiable information is compromised while it is in the Service Provider's possession. Such identity theft protection must be reasonably acceptable to the State.

All Subscribing Entity's Data will remain the property of the Subscribing Entity. The Service Provider must ensure that the Subscribing Entity retains access and download capability for purposes of retrieving its data for research, investigation, transfer, or migration to other systems.

All Subscribing Entity's Data at rest in systems supporting the Service Provider's Services must reside within the contiguous United States with a minimum of two data center facilities at two different and distant geographic locations and be handled in accordance with the requirements of this section at all Service Provider locations.

#### 4.4. Subscribing Entity Responsibilities

Each Subscribing Entity will be responsible for its compliance with this Agreement, be responsible for the accuracy, quality, and legality of its Subscribing Entity's Data and of the means by which it acquired that Subscribing Entity's Data, use commercially reasonable efforts to prevent unauthorized access to or use of the Services, and notify the Service Provider promptly of any unauthorized access or use of which it becomes aware. Further, the Subscribing Entity will use the Services only in accordance with the applicable user guide(s), to the extent not inconsistent with the Subscribing Entity's rights under this Agreement and any applicable Service Attachments, and applicable laws and government regulations.

Further, a Subscribing Entity may not intentionally make the Services available to anyone other than its employees and its contract personnel, unless the applicable Service or Services are designed to be publically facing or intended for interaction with clients of the Subscribing Entity (e.g., hosted web sites), sell, resell, rent, or lease the Services, use the Services to store or

transmit infringing, libelous, or otherwise unlawful or tortious material, or to store or transmit material in violation of third-party privacy rights. The Subscribing Entities also may not intentionally use the Services to store or transmit Malicious Code, intentionally interfere with or disrupt the integrity or performance of the Services or third-party data contained therein, or attempt to gain unauthorized access to the Services or their related systems or networks.

## **5. Orders, Requesting Service, Delivery, Acceptance, Termination, and Modification**

### **5.1. Acceptance**

The acceptance procedure for setup or installation of the Services will be a review by the Subscribing Entity acquiring the Service to ensure that it meets the performance standards and other requirements in the applicable Service Attachment and that the setup or installation has been done in a professional manner and that the Service itself meets all requirements. For other Services, the acceptance procedure will be a review by the Subscribing Entity to ensure the Service complies with the performance requirements in the applicable Service Attachment. In addition to the requirements of the applicable Service Attachment, if ordering documents such as a Statement of Work (SOW) are authorized in that Service Attachment, the review will include any additional requirements in that Order. The Subscribing Entity will have up to 15 days after the setup, installation, or establishment of the Service to do this. The Subscribing Entity will not issue a formal letter of acceptance, unless otherwise specified in the applicable Service Attachment, and passage of 15 days will imply acceptance, though the Subscribing Entity will issue a notice of noncompliance if set up or installation or other Service does not meet the requirements in this Agreement.

If the Subscribing Entity issues a noncompliance letter, the Service Provider will have 30 days to correct the problems listed in the letter. If the Subscribing Entity has issued a noncompliance letter, the Service, installation, or set up will not be accepted until that Subscribing Entity issues a letter of acceptance indicating that each problem noted in the noncompliance letter has been cured. If the problems have been fixed during the 30-day period, the Subscribing Entity will issue the acceptance letter within 15 days after all defects have been fixed. If the Service Provider fails to correct the defect(s), the applicable Order(s) will terminate without cost or obligation to the Subscribing Entity.

The applicable Service Attachment may provide additional or alternative acceptance procedures, but no Order may change the acceptance process.

### **5.2. Service, Termination, or Modification**

All Orders for Service, as well as any termination of an Order or modification to an Order, including termination, must be made through the State's Ordering System. Therefore, the Service Provider must notify the State when an Order is received that was placed outside the State's Ordering System and the Service Provider will not accept the Order. If a Service Provider accepts an Order outside the State's Ordering System the State or the Subscribing Entity may either withhold payment for the unverified Order or require termination of the Service under the unverified Order without cost or obligation to the State or the Subscribing Entity.

The Service Provider agrees to keep Subscribing Entities' Orders updated and current in the State's Ordering System.

The Service Provider is responsible for processing all Orders, billing, payments, cancellations, changes, and receiving and managing all Service calls in a consolidated manner. In this regard, the Service Provider must act as the sole point of contact for all Services under this Agreement and any related Service Attachments for all Subscribing Entities. The Service Provider may not require a Subscribing Entity to contact any of the Service Provider's third-party suppliers or otherwise transact business directly with such suppliers for any Services ordered under this Agreement, and in all respects, the Service Provider must maintain a seamless, single-point-of-contact business relationship with each Subscribing Entity for the Services ordered under this Agreement.

## **6. Termination – Agreement, Service Attachments, Orders**

### **6.1. Termination by the State**

The Service Provider must comply with all terms and conditions of this Agreement. If the Service Provider fails to perform any one of its obligations under this Agreement, it will be in default, and the State may proceed in any or all of the following ways:

- I. the State may terminate this Agreement, the applicable Service Attachment(s), or the affected Order(s) under this Agreement;
- II. the State may withhold payment for any affected Service until the Service Provider cures the noncompliance or the Parties arrive at an agreement as to the corrective action for the noncompliance; or
- III. the State may file a complaint for damages with a court of competent jurisdiction in Ohio.

The State also may terminate this Agreement or any Service Attachments for its convenience with 30 days written notice to the Service Provider. In any such event, each Subscribing Entity must pay for all accrued and unpaid charges for Services and any fee specified in the affected Service Attachment(s) for early termination ("Early Termination Charge"), if applicable.

If the termination of the Agreement or any Service Attachment(s) is for cause, then neither the State nor any Subscribing Entities will be liable for any Early Termination Charge outlined in any affected Service Attachments. And the Service Provider will fully cooperate in any disentanglement efforts any Subscribing Entity reasonably requests at no cost to the requesting Subscribing Entity or Entities.

The State's funds are contingent upon the availability of lawful appropriations by the Ohio General Assembly. If the General Assembly fails at any time to continue funding for the payments and other obligations due as part of this Agreement, the State's obligations under this Agreement will terminate as of the date the funding expires without further obligation of the State, including but not limited to any Early Termination Charge outlined in any affected Service Attachments.

### **6.2. Termination of Orders by Subscribing Entity or Service Provider**

Under this Agreement, specific Orders also may be terminated by either a Subscribing Entity or the Service Provider, as follows:

#### 6.2.1. By a Subscribing Entity

A Subscribing Entity may terminate Service under any Order it has placed, and it may do so at any time for any or no reason. The Subscribing Entity will be liable for charges accrued but unpaid as of the termination date, as well as any Early Termination Charge outlined in the appropriate Service Attachments.

If the Subscribing Entity's funds are contingent upon the availability of lawful appropriations by the Ohio General Assembly or other governmental body, and the General Assembly or other governmental body fails at any time to continue funding for the payments and other obligations due under an Order, the Subscribing Entity's obligations with respect to that Order will terminate as of the date the funding expires, and the Subscribing Entity will have no further obligation with respect to such Order, including but not limited to any Early Termination Charge outlined in any affected Service Attachments.

If a termination of any Service under one or more Orders is for cause or non-appropriation of funds, as described in this Section 6, the Subscribing Entity will not be liable for any Early Termination Charge, if such are otherwise applicable to the Service or Services so terminated. If the termination is for cause, the Service Provider will fully cooperate in any disentanglement efforts the Subscribing Entity reasonably requests at no cost to the Subscribing Entity.

#### 6.2.2. By the Service Provider

If a Subscribing Entity materially defaults in the performance of any of its duties or obligations under this Agreement, the Service Provider, by giving at least 30 days prior written notice, may cancel any affected Services provided to that Subscribing Entity under this Agreement.

If the Subscribing Entity cures the default to the satisfaction of the Service Provider and before the cancellation of Service date, the Order will remain in full force and effect.

If the Subscribing Entity fails to cure, then the Subscribing Entity will remain liable for charges accrued but unpaid as of the cancellation date and any Early Termination Charge as outlined in the appropriate Service Attachment(s), if applicable.

## 7. Financial – Fees, Claims and Disputes, Billing, and Payment

### 7.1. Fees

All applicable charges are fully documented in the appropriate Service Attachment(s). The Subscribing Entity will not be responsible for any charges not documented in the applicable Service Attachment(s) nor will the Subscribing Entity be responsible for any charges waived by the Service Provider in this Agreement or the applicable Service Attachment(s).

Subscribing Entities are not subject to increases in fees during the Term of this Agreement.

Subscribing Entities are not responsible for any charges from the Service Provider's third-party suppliers for any Services ordered under this Agreement, unless an applicable Service Attachment expressly provides otherwise. In this regard, the Service Provider is the seller or reseller of all Services covered by this Agreement, and any payments due to the Service Provider's third-party suppliers for Services under this Agreement are included in the Service Provider's fees specified in the applicable Service Attachment, unless that Service Attachment expressly provides otherwise.

### 7.2. Billing

Invoices will be issued at the Order level, but the Subscribing Entity may require a recap at the agency, division, or district level based on the organizational structure of the Subscribing Entity.

Invoices must be submitted to the office designated in the State's Ordering System as the "bill to address". The invoice must be submitted within 60 days of the Service. If the Subscribing Entity does not receive the invoice within the 60 days of the date of Service, the Subscribing Entity will be entitled to deny payment of the invoice.

A proper invoice must include the following information and/or attached documentation:

- i. name and address of the Service Provider as designated in this Agreement;
- ii. Federal Tax Identification Number of the Service Provider as designated in this Agreement;
- iii. invoice remittance address as designated in the Agreement; and
- iv. a sufficient description of the Services to allow the Subscribing Entity to identify the Services and perform an audit of the Services.

### 7.3. Payment

Payments for Services under this Agreement will be due on the 30th calendar day after the actual receipt of a proper invoice in the office designated to receive the invoice.

The Service Provider agrees to receive payment from approved vouchers by electronic fund transfer ("EFT") for Subscribing Entities that rely on them to make payment. The Service Provider will cooperate with Subscribing Entities in providing the necessary information to implement EFT. The date the EFT is issued in payment will be considered the date payment is made, or if a Subscribing Entity does not use an EFT process, the date its check or warrant is issued in payment will be considered the date payment is made.

#### 7.4. State Reporting Requirements

The Service Provider must provide the State with a recap of all Services provided to the Subscribing Entities on a monthly basis. Additional, specific reporting data requirements may be outlined in the Service Attachment(s).

#### 7.5. Service Level Guarantee and Credits

The Service Provider will issue a credit allowance to any Subscribing Entity affected by a Service outage, as defined in the Service Level Agreement contained in the applicable Service Attachment. The credit will appear on the affected Subscribing Entity's next invoice, or if the Subscribing Entity so requests, the Service Provider will issue a check to the Subscribing Entity as payment within 30 days of the request.

## 8. Support

### 8.1. Service Support Generally

During the Term of any Order, the Service Provider will provide the Subscribing Entity with telephonic assistance and advice for using all Services covered by the Order. The Service Provider also will provide troubleshooting and problem resolution by developing and providing fixes or patches for errors in any software it provides and contract with any third party providing software that supports the Services for the same. As part of the support the Service Provider provides in exchange for the applicable fee, the Service Provider also will keep all software current by installing all relevant service packs and patches as well as all updates and new releases and versions of the software as soon as reasonably possible. The Service Provider also will keep its own software offering compatible with any updated third-party software that is part of the Services or supports the Services. The manner in which the Service Provider provides support will be governed by the Service Provider's policies and programs described in the applicable documentation or other materials that the Service Provider uses to notify its customers generally of such policies. But regardless of the Service Provider's policies and programs, unless otherwise agreed in the applicable Service Attachment, in all cases such support must comply with the requirements of this Agreement and the applicable Service Attachment(s). And the Service Provider must provide the support in a competent, professional, and timely manner.

### 8.2. Equipment Support Generally

For any equipment used to provide the Services, remedial equipment maintenance by the Service Provider will be completed within eight business hours after notification by the Subscribing Entity that maintenance is required. In the case of preventative maintenance, the Service Provider will perform such in accordance with the manufacturer's published schedule and specifications. If maintenance is not completed within eight hours after notification by the Subscribing Entity, the Service Provider will be in default. Failure of the Service Provider to meet or maintain these requirements will provide the Subscribing Entity with the same rights and remedies as specified elsewhere in this Agreement for default, except that the Service Provider will only have eight hours to remedy a default. Nothing contained herein will limit the application of any credits for failure to meet any service level agreements in the applicable

Service Attachment. The Service Provider will provide adequate staff to provide the maintenance required by this Agreement.

### 8.3. Adjustments

A Subscribing Entity may acquire subscriptions that are based on the number of users, nodes, computers, processors, or other counts of Objects covered by an Order (“Objects”). In any such cases, the Subscribing Entity may request that the fees for a subscription renewal be calculated based on fewer Objects than included in the previous Order, with an appropriate adjustment in the applicable fee(s). Despite the reduction, fees for the remaining Objects may not be increased over the applicable fees from the previous Order.

During an Order’s duration (“Order Term”), a Subscribing Entity may increase the volume of its Order (e.g., add additional users) without increasing the Order Term. The cost of any addition Objects or similar increase in usage must be prorated to reflect the time remaining in the Order Term rather than be based on the full Order Term.

### 8.4. Support Parameters

A Subscribing Entity may initiate support requests for problems it encounters with the Software by telephone, email, Internet, or fax, and the Service Provider must maintain lines of communication that support all four forms of communication. The Service Provider must make support available 24 hours a day, seven days per week (the “Support Window”), 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 Service Provider must maintain at least one support center in North America with adequate English-speaking support personnel. The applicable Service Attachment(s) may provide for different support periods. A Subscribing Entity’s technical staff may contact any support center that the Service Provider maintains, and they may choose to do so based on convenience, proximity, service hours, languages spoken, or otherwise.

### 8.5. Incident Classification

The Service Provider must classify and respond to support calls by the underlying problem’s effect on a Subscribing Entity. In this regard, the Service Provider 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 Service Provider must designate a problem as “critical” if the Service is functionally inoperable, the problem prevents the Service or a major component or function of it 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 Service Provider must classify a problem as “urgent” if the underlying problem significantly degrades the performance of the Service or a major function or component of it or materially restricts a Subscribing Entity’s use of the Service in a production mode. A problem also will be considered urgent if a commonly used feature often generates application errors, causes the Service to freeze, locks up the computer on which the Service is running, or otherwise routinely does not work as intended. Classification of a problem as urgent rather than critical assumes that an affected Subscribing Entity still can conduct business with the Service and response times are

consistent with the needs of the Subscribing Entity for that type of Service. As with the critical classification, the urgent classification assumes there is no existing patch or acceptable workaround procedure for the problem. Finally, the Service Provider may classify a support call as “routine” if the underlying problem is a question on end use or configuration of the Service. It also may be classified as routine when the problem does not materially restrict a Subscribing Entity’s use of the Service 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 that does not materially interfere with a Subscribing Entity’s use of the Service, the problem may be treated as routine.

The Service Provider must apply the above classifications in good faith to each call for support, and the Service Provider must give due consideration to any request by a Subscribing Entity to reclassify a problem, taking into account the Subscribing Entity’s unique business and technical environments and any special needs it may have.

#### 8.6. Incident Response

The Service Provider 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 Service Provider 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 Service Provider’s appropriate staff will work without material interruption until the problem is resolved properly. At the request of an affected Subscribing Entity, the Service Provider’s personnel must maintain daily contact with the Subscribing Entity’s technical staff to keep the Subscribing Entity abreast of efforts being made to solve the problem. The Service Provider also must provide the Subscribing Entity’s technical staff with direct access to the Service Provider’s support personnel and product development personnel, if appropriate, who are assigned to the problem.

The Service Provider must respond to urgent problems by having its product development and support personnel work in concert to develop a fix or a workaround. If requested, the Service Provider’s support personnel must maintain regular contact with the affected Subscribing Entities to keep their technical staff abreast of progress toward a resolution of the problem. The Service Provider’s support staff must include the problem in regular status reports to the Service Provider’s management team. And the Service Provider’s support staff must provide the fix or workaround procedure as soon as it is available.

The Service Provider must respond to routine problems by providing the affected Subscribing Entities with a fix 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 Service Provider’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 Service Provider’s first or second level support personnel must provide the Subscribing Entity’s technical staff with telephonic assistance on a non-priority basis.

## 8.7. Response Times

The maximum time that the Service Provider takes to respond initially to a support request may vary based upon the classification of the request. During the Support Window, the Service Provider's response time for a critical support request will be less than one hour. The Service Provider's response time for an urgent request must be less than two hours during the Support Window. And the Service Provider's response time for a routine support request must be less than four hours during the Support Window. The applicable Service Attachment may provide for shorter response times, and nothing contained herein will limit the application of any credits for failure to meet any service level agreements in the applicable Service Attachment.

## 8.8. Escalation Process

Any support call that is not resolved must be escalated to the Service Provider's management under the following parameters. Unresolved problems that are classified as critical must be escalated to the Service Provider's support manager within one hour and to the director level after four hours. If a critical problem is not resolved within one day, it must escalate to the CEO level after two days. The Service Provider's support staff will escalate unresolved urgent problems to its support manager within three hours, to the director level after one day, and to the CEO level after two days.

## 8.9. Subscribing Entity Obligations

To facilitate the Service Provider meeting its support obligations, Subscribing Entities must provide the Service Provider with the information reasonably necessary to determine the proper classification of the underlying problem. They also must assist the Service Provider as reasonably necessary for the Service Provider's support personnel to isolate and diagnose the source of the problem. Additionally, to assist the Service Provider's tracking of support calls and the resolution of support issues, Subscribing Entities must make a reasonable effort to use any ticket or incident number that the Service Provider assigns to a particular incident in each communication with the Service Provider.

## 8.10. Relationship to SLAs

The Service Provider's support obligations are in addition to the SLAs in the Service Attachment(s). Furthermore, the SLAs may provide for credits to the Subscribing Entities even though the Service Provider is meeting its support obligations hereunder.

# 9. Standard Provisions

## 9.1. Certification of Funds

None of the rights, duties, or obligations in this Agreement will be binding on the State or a Subscribing Entity, and the Service Provider will not begin its performance under any Order, until all the following conditions occur for that Order:

- i. all statutory provisions under the ORC, including Section 126.07, have been met;
- ii. all necessary funds are made available by the appropriate State agencies;

- iii. if required, approval of this Agreement or the applicable Order is given by the Controlling Board of Ohio; and
- iv. if the Subscribing Entity is relying on federal or third-party funds for its Order, the Subscribing Entity gives the Service Provider written notice that such funds have been made available.

Additional or alternate legal requirements may apply to political subdivisions that are a Subscribing Entity for an Order to be binding on it.

## 9.2. 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 will notify the other promptly of any material delay in performance and will specify in writing the proposed revised performance date or dates as soon as practicable after notice of delay. The proposed date or dates must be reasonable and cannot exceed the actual delay caused by the events beyond the control of the Party. In the case of such an excusable delay, the dates of performance or delivery affected by the delay 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 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 Service Provider's suppliers will be considered controllable by the Service Provider.

In the case of subscriptions to Services for a Term that an excusable delay interrupts, the Term of that subscription will be extended at no additional cost to affected Subscribing Entities by the same amount of time as the excusable delay.

## 9.3. Employment Taxes

Each Party will be solely responsible for reporting, withholding, and paying all employment related taxes, contributions, and withholdings for its own personnel, including, but not limited to, federal, state, and local income taxes, and social security, unemployment and disability deductions, withholdings, and contributions, together with any interest and penalties.

## 9.4. Sales, Use, Excise, and Property Taxes

The State and most Subscribing Entities are exempt from any sales, use, excise, and property tax. To the extent sales, use, excise, or any similar tax is imposed on the Service Provider in connection with any Service, such will be the sole and exclusive responsibility of the Service Provider, and the Service Provider 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.

#### 9.5. Equal Employment Opportunity

The Service Provider will comply with all state and federal laws regarding equal employment opportunity and fair labor and employment practices, including ORC Section 125.111 and all related Executive Orders.

Before this Agreement can be awarded or renewed, an Affirmative Action Program Verification Form must be submitted to the DAS Equal Opportunity Division to comply with the affirmative action requirements. Affirmative Action Verification Forms and approved Affirmative Action Plans can be found by to the Ohio Business Gateway at:

<http://business.ohio.gov/efiling/>

The State encourages the Service Provider to purchase goods and Services from Minority Business Enterprises (“MBEs”) and Encouraging Diversity, Growth and Equity (“EDGE”) contractors.

#### 9.6. Drug-Free Workplace

The Service Provider must comply with all applicable state and federal laws regarding keeping a drug-free workplace. The Service Provider must make a good faith effort to ensure that all its employees, while working on State property or the property of any Subscribing Entity, will not have or be under the influence of illegal drugs or alcohol or abuse prescription drugs in any way.

#### 9.7. Conflicts of Interest

No Service Provider personnel may voluntarily acquire any personal interest that conflicts with the Service Provider’s responsibilities under this Agreement.

Additionally, the Service Provider will not knowingly permit any public official or public employee who has any responsibilities related to this Agreement to acquire an interest in anything or any entity under the Service Provider’s control, if such an interest would conflict with that official’s or employee’s duties. The Service Provider will disclose to the State knowledge of any such person who acquires an incompatible or conflicting personal interest related to this Agreement. The Service Provider will take all legal steps to ensure that such a person does not participate in any action affecting the work under this Agreement, unless the State has determined that, in the light of the personal interest disclosed, that person’s participation in any such action would not be contrary to the public interest.

#### 9.8. Assignment

The Service Provider may not assign this Agreement or any of its rights or obligations under this Agreement without the prior, written consent of the State.

#### 9.9. Governing Law

This Agreement will be governed by the laws of Ohio, and venue for any disputes will lie with the appropriate court in Ohio.

#### 9.10. Finding for Recovery

The Service Provider warrants that the Service Provider is not subject to an unresolved finding for recovery under ORC §9.24. If the warranty is false on the date the parties signed this Agreement, the Agreement is void *ab initio*.

#### 9.11. Anti-trust

The Parties recognize that, in actual economic practice, overcharges resulting from antitrust violations are usually borne by the State and the Subscribing Entities. The Service Provider therefore assigns to the State all state and federal antitrust claims and causes of action that the Service Provider now has or may acquire relating to the Services that are covered by this Agreement.

#### 9.12. Use of Name

Neither Party will use the other Party's name in any marketing material, advertisement, or press release without the other Party's written consent. Further, neither Party may use any contact information collected from the other in the performance of this Agreement for general marketing or sales purposes, such as using email addresses to send mass marketing material, and must use such information solely for purposes of administering this Agreement.

#### 9.13. Executive Order 2011-12K Compliance

The Service Provider affirms it has read and understands Executive Order 2011-12K and will abide by those requirements in the performance of this Agreement.

Notwithstanding any other Terms of this Agreement, the State reserves the right to recover any funds paid for Services the Service Provider performs outside of the United States for which it did not receive a waiver. The State does not waive any other rights or remedies provided the State in this Agreement.

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

#### 9.14. Campaign Contributions

The Service Provider, by signature affixed on this document, hereby certifies that all applicable parties listed in ORC Section 3517.13 are in full compliance with ORC Section 3517.13.

#### 9.15. Export Compliance

The Services and derivatives thereof may be subject to export laws and regulations of the United States and other jurisdictions. Both the Service Provider and the State represent that it is not named on any U.S. government denied-party list. Neither party will permit others to

access or use the Services in a US-embargoed country (currently Cuba, Iran, North Korea, Sudan or Syria) or in violation of any U.S. export law or regulation.

#### 9.16. Safety and Security Rules

When accessing State networks and systems, the Service Provider must comply with all applicable State policies and regulations regarding data security and integrity. And when on any property owned or controlled by the State, the Service Provider must comply with all security and safety rules applicable to people on those premises. Subscribing Entities may have policies and regulations that are specific to them that the Service Provider must also comply.

#### 9.17. Ohio Ethics Law

The Service Provider certifies that it is currently in compliance with and will continue to adhere to the requirements of the Ohio ethics laws.

#### 9.18. Entire Agreement

This Agreement, together with any Service Attachments and all additional documents expressly incorporated herein, sets forth the entire agreement of the Parties with respect to the subject matter hereof and supersedes any prior agreements, promises, representations, understandings, and negotiations between the Parties with respect to the subject matter hereof.

Only executable Order attached to a Service Attachment as an exhibit and identified as such in the applicable Service Attachment may be executed by a Subscribing Entity to evidence a transaction under this Agreement. Further, the Subscribing Entity may not add or require additional Terms as part of any authorized Order. Documents attached to a Service Agreement as exhibits to be executed by a Subscribing Entity typically identify authorized Service options the Subscribing Entity has selected, provide information about a Subscribing Entity, identify installation or configuration requirements or similar Statements of Work to be done by the Service Provider, set schedules for performance, and similar matters.

#### 9.19. Severability

If any provision hereunder is declared or held invalid, illegal, or unenforceable by a court of competent jurisdiction, this Agreement will be revised only to the extent necessary to make that provision legal and enforceable or, if impossible, the unaffected portions of this Agreement will remain in full force and effect so long as the Agreement remains consistent with the Parties' original intent.

#### 9.20. Survival

Any Terms, conditions, representations, or warranties contained in this Agreement that must survive termination or expiration of this Agreement to be fully effective will survive the termination or expiration of the Agreement, unless expressly provided otherwise in this Agreement. Additionally, no termination or expiration of the Agreement will affect the State's right to receive Services for which the State has paid before expiration or termination, but no subscription to a Service will continue beyond the period paid for before termination or expiration of the Agreement.

If any Service Attachment should expire or be terminated, the remaining portions of this Agreement will survive.

#### 9.21. No Waiver

The failure of either party at any time to demand strict performance by the other Party of any terms or conditions of this Agreement may not be construed as a waiver of any of those terms or conditions, and either Party may at any time demand strict and complete performance by the other Party.

#### 9.22. Order of Precedence

- A. In event of a conflict related to the general Terms and Conditions between the Agreement and the Service Attachment(s), the Agreement shall prevail.
- B. In the event of a conflict related specifically to the service, between the Agreement and the Service Attachment(s), the Service Attachment(s) shall prevail.

#### 9.23. Headings

The headings herein are for convenience only and are not intended to have any substantive significance in interpreting this Agreement.

#### 9.24. Governmental Authorization, Regulatory Changes

This Agreement is subject to all applicable federal, state, and local laws, rules, orders, and regulations, and each Party must comply with all applicable federal, state, and local laws, rules, regulations, and orders in performing its obligations hereunder. To the extent any provision of this Agreement conflicts with any such law, rule, order, or regulation, such law, rule, order, or regulation will supersede the conflicting provision. The Service Provider may discontinue, limit, or impose additional requirements to the provision of Service, upon no less than 30 days written notice, if required to meet federal, state or local laws, rules, or regulations. But if any such action materially affects any Subscribing Entity's use of a Service, the Subscribing Entity may on written notice to the Service Provider terminate its use of the Service without an Early Termination Charge and receive a pro rata refund any amounts paid in advance for the Service.

#### 9.25. Notices

Except as otherwise provided in this Agreement, all notices hereunder must be in writing and sent by:

- i. registered or certified mail, postage prepaid;
- ii. facsimile transmission;
- iii. overnight courier;
- iv. or email, upon confirmation of receipt.

Alternatively, such notices may be hand delivered if confirmation of receipt is attained at delivery.

The State's address for notification is:

Department of Administrative Services  
Office of Information Technology  
Enterprise IT Contracting  
30 E Broad Street, 39<sup>th</sup> Floor  
Columbus, Ohio 43215  
Attention: Contracts Category Manager

The Service Provider's address for notification is:

With a copy to:

#### 9.26 IRS 1075 Technology Services.

In consideration of the mutual promises and obligations contained in the Agreement and this Amendment, the parties agree to add language to the Agreement as follows:

In order to protect risk of loss, breach, or misuse of Federal Tax Information ("FTI") held by government agencies, the Internal Revenue Service issued Publication 1075 which includes specific language to include in any State contract in which FTI may be disclosed. If FTY is involved and the following state entities are also involved, then the IRS Publication 1075 language below applies:

- 1) Department of Administrative Services;
- 2) Department of Job and Family Services;
- 3) Department of Medicaid;
- 4) Department of Taxation;
- 5) Attorney General; or

- 6) Any Cooperative Purchasing Member to which the IRS provided FTI.

## **I Performance**

In performance of this Contract, the Contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- (1) All work will be done under the supervision of the Contractor or the Contractor's employees.
- (2) Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this Contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this Contract. Disclosure to anyone other than an officer or employee of the Contractor will be prohibited.
- (3) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
- (4) The Contractor certifies that the data processed during the performance of this Contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the Contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the Contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
- (5) Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or his or her designee. When this is not possible, the Contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.
- (6) All computer systems receiving, processing, storing or transmitting FTI must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operations, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal Tax Information.
- (7) No work involving Federal Tax Information furnished under this Contract will be subcontracted without prior written approval of the IRS.
- (8) The Contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.
- (9) The agency will have the right to void the Contract if the Contractor fails to provide the safeguards described above.

## **II Criminal Sanctions**

- (1) Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return

information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRCs 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

- (2) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this Contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the Contract. Inspection by or disclosure to anyone without an official need-to-know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of the officer or employee (United States for Federal employees) in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC 7213A and 7431.
- (3) Additionally, it is incumbent upon the Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.
- (4) Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, contractors must be advised of the provisions of IRCs 7431, 7213, and 7213A (See Exhibit 4, *Sanctions for Unauthorized Disclosure*, and Exhibit 5, *Civil Damages for Unauthorized Disclosure*). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For both the initial certification and the annual certification, the contractor must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

### III Inspection

The IRS and the Agency shall have the right to send its officers and employees into the offices and plants of the Contractor for inspection of the facilities and operations provided for the performance of any work under this Contract. On the basis of such inspection, specific measures may be required in cases where the Contractor is found to be noncompliant with contract safeguards.

**9.27 Registration with the Secretary of State.**

In consideration of the mutual promises and obligations contained in the Agreement and this Amendment, the parties agree to add language to the Agreement as follows:

By providing a Charter Number and signature within the Certification Offer Letter, the Contractor attest that the Contractor is:

- An Ohio corporation that is properly registered with the Ohio Secretary of State; or
- A foreign corporation, not incorporated under the laws of the state of Ohio, but is registered with the Ohio Secretary of State pursuant to Ohio Revised Code Sections 1703.01 to 1703.31, as applicable.

Any foreign corporation required to be licensed under O.R.C. § 1703.01-1703.31, which transacts business in the state of Ohio, without being so licensed, or when its license has expired or been canceled, shall forfeit not less than \$250.00 nor more than ten thousand dollars. No officer of a foreign corporation (<http://codes.ohio.gov/orc/1703.01>) shall transact business in the state of Ohio, if such corporation is required by O.R.C. § 1703.01-1803.31 to procure and maintain a license, but has not done so. Whoever violates this is guilty of a misdemeanor of the fourth degree. Questions regarding registration should be directed to (614) 466-3910, or visit <http://www.sos.state.oh.us>

**WITNESS WHEREOF**, the Parties have executed this Agreement which shall be effective on the date signed by the State, 'Effective Date.'

**<SERVICE PROVIDER>**

**STATE OF OHIO,  
DEPARTMENT OF  
ADMINISTRATIVE SERVICES**

|                       |   |
|-----------------------|---|
| _____<br>Signature    | _____<br>Signature                                    |
| _____<br>Printed Name | Robert Blair<br>_____<br>Printed Name<br>DAS Director |
| _____<br>Title        | _____<br>Title  |
| _____                 | _____   |

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Date

Effective Date

---

Federal Tax ID



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.

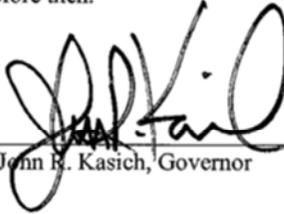
**NOW THEREFORE**, I, John R. Kasich, Governor of the State of Ohio, by virtue of the authority vested in me by the Constitution and the laws of this State, do hereby order and direct that:

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

# Master Cloud Service Attachment

**This Service Attachment** (the "Service Attachment"), is between \_\_\_\_\_ ("Service Provider") having an office at \_\_\_\_\_, and the State of Ohio, through the Department of Administrative Services, Office of Information Technology ("the State"), having its principal place of business at 1320 Arthur E. Adams Drive, 3rd Floor, Columbus, OH 43221 (jointly referred hereto as the "Parties"), and it is effective as of the date signed by the State. It amends that certain Master Cloud Services Agreement ("MCSA") between the Parties dated \_\_\_\_\_.

## 1. Definitions. [None.]

The defined terms in the Master Cloud Services Agreement will have the same meanings in this Service Attachment as they do in the MCSA. There may be additional definitions contained herein.

## 2. Services.

**Overview.** [Provide a list of all Services available under this Service Attachment and a description of each. A separate Services Attachment should be used for each major Service of the Service Provider.]

*Standard Service Features.* [List and provide a description of all Service features that are included as part of the standard cost.]

**Optional Service Features.** [List and provide a description of all optional Service features that are not included as part of the standard cost, such as costs associated with bandwidth, page views, storage, organizations ("Orgs"), domains, sandboxes, full sandboxes, and such. Otherwise it will be agreed and stated that all such items are free of charge and will be provided in unlimited quantities.]

**Provision of Services.** The Service Provider will make the Services available to the Subscribing Entities pursuant to the Agreement, this Service Attachment, and the applicable Order Forms during each Order Term. The State agrees that purchases hereunder are neither contingent on the delivery of any future functionality or features nor dependent on any oral or written public comments made by the Service Provider regarding future functionality or features.

**The Service Provider Responsibilities.** The Service Provider must: (i) provide the Service Provider's basic support for the Services to the Subscribing Entities at no additional charge, and/or upgraded support if available and if purchased, (ii) use commercially reasonable efforts to make the Services [available 24 hours a day, 7 days a week], except for: (a) planned downtime (of which the Service Provider must give at least 8 hour notice via the Services and which the Service Provider must schedule [10 p.m. and 6 a.m. Eastern Time and on Saturdays], or (b) any unavailability covered by the Agreement's Excusable Delay clause or by the Service Level section later herein, and (iii) provide the Services in full accordance with applicable laws and government regulations.

### 3. Fees and Payment

**Fee Structure.** [Provide pricing information for all Services and all optional features. Include all parameters, such as length of subscription, volume discounts, discount from list price, and payment intervals and due dates. Include a professional services rate card or a blended rate, if applicable, for such things as training, consulting, etc.]

**Fees.** The Subscribing Entities will pay all fees specified in all Order Forms hereunder, subject to the terms of the Agreement. Except as otherwise specified herein or in an Order Form, fees are based on Services purchased and not actual usage, and the number of Object subscriptions (e.g., the number of users) purchased cannot be decreased during the relevant Order Term, except as provided in the Agreement. They may, however, be increased during an Order Term. Object subscription fees are based on [monthly] periods that begin on the subscription start date and each [monthly] anniversary thereof; therefore, fees for Object subscriptions added in the middle of a [monthly] period will be charged for that full [monthly] period and the [monthly] periods remaining in the subscription term. Additions of Object subscriptions during a term does not extend that term. No Order Form may specify a subscription term not identified and priced in this Attachment. Nor may it cover any billable services not listed in this Service Attachment as a Service.

After 90 days, the Service Provider may suspend the delinquent Subscribing Entity's access to the unpaid Services until all delinquent amounts are paid, notwithstanding the prohibition against self-help provided for elsewhere in the Agreement, but the Service Provider may not do so if the Subscribing Entity is disputing the applicable charges reasonably and in good faith and is cooperating diligently to resolve the dispute.

**Invoicing and Payment.** Fees will be invoiced [monthly in arrears] and otherwise in accordance with the Order Form and the Agreement. Fees are due in accordance with the terms of the Agreement, which no Order Form may alter. The Subscribing Entity is responsible for providing complete and accurate billing and contact information to the Service Provider and notifying the Service Provider of any changes to such information.

### 4. Proprietary Rights

**Reservation of Rights in Services.** Subject to the limited rights expressly granted hereunder, the Service Provider reserves all rights, title, and interest in and to the Services, including all related intellectual property rights. No rights are granted to the State or Subscribing Entities hereunder other than as expressly set forth herein or elsewhere in the Agreement.

**Restrictions.** Subscribing Entities will not intentionally permit any third party to access the Services, except as permitted herein or in an Order Form, create derivative works based on the Services except as permitted herein or elsewhere in the Agreement, reverse engineer the Services, or access the Services to build a competitive product or service or to copy any features, functions, or graphics of the Services. Nothing herein prohibits a Subscribing Entity from porting and hosting Generated Code, as defined in this Agreement, to other sites to support its own business purposes during and after any term of an Order.

**State Applications and Code.** If a Subscribing Entity, a third party acting on a Subscribing Entity's behalf, or a user creates applications or program code using the Services, such will be part of the Subscribing Entity's Data. The Subscribing Entity authorizes the Service Provider to host, copy, transmit, display, and adapt such applications and program code, solely as necessary for the Service Provider to provide the Services in accordance with this Agreement. Subject to the above, the Service Provider acquires no right, title or interest from the Subscribing Entity or its licensors under this Agreement in or to such applications or program code, including any intellectual property rights therein, and the Subscribing Entity is entitled to port, use, and host such anywhere.

**Subscribing Entity Data.** Subject to the limited rights granted by a Subscribing Entity hereunder, the Service Provider acquires no right, title, or interest from a Subscribing Entity or its licensors under this Agreement in or to the Subscribing Entity Data, including any intellectual property rights therein.

## 5. Service Levels

**SLAs for the Services.** This Agreement includes SLAs that will be used to monitor and manage the Service Provider's performance of Services. The minimum SLAs are listed below, but the Service Provider may supplement them with additional SLAs that are generally applicable to its other Services customers, so long as those additional SLAs cover parameters not addressed in the below SLAs or are more stringent than those listed below. Modifications to the SLAs provided below may only be made by the written agreement of the State and the Service Provider, except with respect to SLAs the Service Provider offers generally to other customers that are more stringent or in addition to those below.

**Availability.** "Availability" or "Available" means the Subscribing Entity's users are able to access a Service and use all material features and functions of the Service effectively and efficiently and the Service meets all the SLAs contained in this Attachment. "Unavailable" or "Unavailability" means the Subscribing Entity's users are unable to access the Service or use all the Service's features and functions effectively and efficiently or they do not otherwise meet all SLAs in this Service Attachment, subject to the following:

A Service may be inaccessible to a Subscribing Entity's users during scheduled downtime. Scheduled downtime will occur for less than [one hour] between [10 p.m. and 6 a.m. Eastern Time and on Saturdays], but not more than once [monthly]. The Service Provider may change the scheduled downtime to other non-business hours upon reasonable notice to the affected Subscribing Entities. Scheduled downtime will not be considered times when the Services are Unavailable.

In addition to scheduled downtime, the following will not be considered times when a Service is Unavailable:

- (i) Outages resulting from a Subscribing Entity's equipment or its Internet service provider;
- (ii) A Subscribing Entity's negligence or breach of its material obligations under this Agreement; and
- (iii) Excusable Delays, as provided for and handled in accordance with the Agreement.

## **SLA Credits.**

The “Target Availability Level” is the Service’s Availability Level that the Service Provider plans to meet or exceed during each calendar month. The “Service Availability Level” is the number of hours during a particular period that the Service was Available to the Subscribing Entity, excluding scheduled downtime permitted above, divided by the total number of hours during such period. The Target Availability Level is provided in the next section.

The Service Provider must actively monitor and report to the State and each Subscribing Entity any and all Unavailability of a Service monthly, along with reasonable details regarding such Unavailability. The Service Provider also must provide each Subscribing Entity that uses the Service a credit within 30 days of any calendar month in which the Service Availability Level is below the Target Availability Level, calculated as set forth herein.

The applicable credit will be calculated as follows: If the Service Provider fails to meet the Target Availability Level by up to four hours, each affected Subscribing Entity will be entitled to the equivalent of one day’s fee for the Service. That is, if the fee is an annual fee, the credit would be 1/365<sup>th</sup> of that annual fee, or if it is a monthly fee, the Subscribing Entity would be entitled to 1/30<sup>th</sup> of its monthly fee as a credit. Further, the credit will double if the Target Availability Level is missed by more than four but less than eight hours for any calendar month. And if the failure to meet the Target Availability Level is greater than eight hours, the Subscribing Entity will be entitled to the entire fee applicable to that month.

Any such credits must be paid to the Subscribing Entity within 30 days after the month in which the Service Provider fails to meet the Target Availability Level.

If the Service Provider fails to meet the Target Availability Level for three consecutive calendar months, any affected Subscribing Entity may terminate any or all Orders for that Service for cause.

## **Specific SLAs.**

The Target Availability Level is [99.9%] in any calendar month. For a Service to be considered Available, the following parameters also must be met:

[Insert SLAs for performance parameters such as response time, page refresh rate, a permissible window for disaster recover, etc.]

## **6. Terms and Termination**

**Term of Subscriptions.** Subscriptions commence on the start date specified in the applicable Order Form and continue for the subscription term specified therein, subject to relevant provisions in the MCSA, such as termination and the non-appropriation provisions. Should a Subscribing Entity elect to renew a subscription, provided this Agreement remains in effect or is renewed, the renewal will be at the Subscribing Entity’s option and will be for the same or greater discount from list as the subscription being renewed and under the same terms and conditions, unless a change in governmental law, rules,

or regulations requires a modification, in which case the Parties will in good faith negotiate the modifications necessitated by such a change in governmental law, rules, or regulations.

**7. Miscellaneous**

*Return of Subscribing Entity Data*

At no additional cost to the Subscribing Entity, upon request made at any time during a Service term or within 90 days after the effective date of termination or expiration of a Subscribing Entity’s Order for that Service, the Service Provider will make available to the Subscribing Entity for download its Subscribing Entity Data covered by that terminated or expired Service, including any Generated Files, in native format or any other format the Subscribing Entity reasonably requests within one day of the request and at no additional charge to the Subscribing Entity. After such 90-day period, the Service Provider will have no obligation to maintain the Subscribing Entity Data covered by an expired Service Order and must thereafter, unless legally prohibited, delete the applicable Subscribing Entity Data in its systems or otherwise in its possession or under its control.

[Add anything not covered by the above sections.]

**In Witness Whereof**, the Parties have executed this Service Attachment, which is effective on the date the State’s duly authorized representative signs it on behalf of the State, (“Effective Date”).

**SERVICE PROVIDER**

**STATE OF OHIO,  
DEPARTMENT OF  
ADMINISTRATIVE SERVICES**

|                         |                         |
|-------------------------|-------------------------|
| _____<br>Signature      | _____<br>Signature      |
| _____<br>Printed Name   | _____<br>Printed Name   |
| _____<br>Title          | _____<br>Title          |
| _____<br>Date           | _____<br>Effective Date |
| _____<br>Federal Tax ID |                         |



**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.

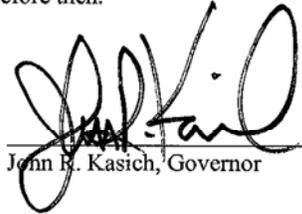
**NOW THEREFORE**, I, John R. Kasich, Governor of the State of Ohio, by virtue of the authority vested in me by the Constitution and the laws of this State, do hereby order and direct that:

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

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.

---

By the signature affixed hereto, the Service Provider affirms, understands and will abide by the requirements of Executive Order 2011-12K. If awarded a contract, both the Service Provider and any of its subcontractors will perform no Services requested under this Agreement outside of the United States.

The Service Provider will provide all the name(s) and location(s) where Services under this Agreement will be performed in the spaces provided below or by attachment. Failure to provide this information may subject the Service Provider to sanctions. If the Service Provider will not be using subcontractors, indicate "Not Applicable" in the appropriate spaces.

1. Principal location of business of Service Provider:

\_\_\_\_\_  
(Address) (City, State, Zip)

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

\_\_\_\_\_  
(Name) (Address, City, State, Zip)

\_\_\_\_\_  
(Name) (Address, City, State, Zip)

2. Location where Services will be performed by Service Provider:

\_\_\_\_\_  
(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 Service Provider:

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(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)

Service Provider also affirms, understands and agrees that Service Provider and its subservice Providers are under a duty to disclose to the State any change or shift in location of Services performed by Service Provider or its subcontractors before, during and after execution of any Agreement with the State. Service Provider agrees it will so notify the State immediately of any such change or shift in location of its Services. The State has the right to immediately terminate the contract, unless a duly signed waiver from the State has been attained by the Service Provider to perform the Services outside the United States.

On behalf of the Service Provider, I acknowledge that I am duly authorized to execute this Affirmation and Disclosure form and have read and understand that this form is a part of any Agreement that Service Provider may enter into with the State and is incorporated therein.

By: \_\_\_\_\_  
Service Provider

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## SUPPLEMENT ONE

### Scope of Work

Contract services for the implementation of an Ohio Bureau of Motor Vehicles Portable Driver Simulator System (PDSS) for the State of Ohio Department of Public Safety.

These contracted services are described in detail below and include:

1. Project Management Services
2. Stakeholder Engagement
3. Design Services
4. Implementation
5. Training
6. Maintenance and Support
7. Program Transitioning

#### 1. Project Management.

**Kick Off Meeting.** The Contractor, in conjunction with State staff, must plan and conduct a Project kickoff meeting.

The Contractor in collaboration with the State will initiate the project with a mobilization effort for the first 15 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 and ensure Contractor's understanding of their commitment to deliver the proposed solution for the project.

The Contractor in conjunction with the State must develop and deliver a 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, Milestones and significant work products; and
- Contract content review.

**Manage Staff.** The State will provide oversight for the Project, but the Contractor must provide overall Project management for the tasks under this Contract, including the day-to-day management of its staff. The Contractor also must assist the State with coordinating assignments for State staff, if any, involved in the Project. Additionally, the Contractor must provide all administrative support for its staff and activities.

**Update and Maintain Project Plan.** Throughout the Project, the Contractor must employ ongoing management techniques to ensure a comprehensive Project Plan is agreed to and baselined, executed, monitored, reported on, and maintained. The Project Plan must allow sufficient time for the State's staff to review all deliverables.

The Project Plan submitted with the Contractor's proposal must be updated and submitted as a Gantt chart in electronic and paper form to the State for approval no later than ten (10) days after the mobilization effort described above. The electronic version should be in Microsoft Project format.

The revised Project Plan will become the Contractor's plan to implement the Contractor's solution. The Project Plan must include planned Tasks, Deliverables, Milestones and significant work products with measurable outcomes. The schedule must indicate dependencies, duration, dates and resources for completing each Task, Deliverable, and Milestone.

The Project Plan must include a more detailed level for the upcoming six month planning period. The Project Plan must be updated on an ongoing basis with a more detailed view on a mutually agreed upon time interval. Throughout the Project, the Project Plan must be maintained on an ongoing basis by the Contractor and updated weekly. Timeline variances must be reported to the State immediately along with a written strategy to mitigate the variances and ensure the completion of the proposed milestones.

**Project Review Check Point.** Upon completion of the baselined Project Plan and on a quarterly basis throughout the Project, the Contractor, in conjunction with State Project team staff, must deliver a presentation to the State Project governance structure. At a minimum, the presentation must address any known State or Contractor issues or concerns, including but not limited to the following:

- Project scope, budget and schedule;
- Key named resources assigned to the Project;
- Project readiness;
- Methodology, approach, and tools to achieve the Project goals;
- Roles, responsibilities, and team expectations; and
- Tasks, Deliverables, Milestones and significant work products.

Upon completion of the presentation, the State will immediately assess the health of the project and determine next steps for moving forward with the Project, which may include the following:

- Continue the Project;
- Terminate the Contract; or
- Suspend the Contract.

See Suspension and Termination language in Attachment Four for remedies for failure to deliver the proposed solution.

Please Note: There may be additional Project Reviews conducted by the State on an as needed basis throughout the term of the Contract to assess Project health and ensure the Project is progressing successfully.

**Meeting Attendance and Reporting Requirements.** The Contractor's management approach to the Project must adhere to the following meeting and reporting requirements:

- Immediate Reporting - The Project Manager or a designee must immediately report any staffing changes for the Project to the State's Representative.
- Attend Status Meetings - The Project Manager and other Project team members must participate in status meetings with the State Representative and other people deemed necessary to discuss Project issues. The State Representative will schedule these meetings, which will follow an agreed upon agenda and allow the Contractor and the State to discuss any issues that concern them. These meetings will be scheduled based upon need and may be conducted as a conference call.
- The Contractor must provide the following detailed monthly report as agreed to by the Contractor and State. The report must, at a minimum, include:
  - Status of planned tasks, identifying tasks not on schedule and a resolution plan to return them to the schedule;
  - Problems encountered, proposed solutions, and actual resolution;
  - Results of any testing;
  - Tasks to be accomplished the following two weeks;
  - Deliverable and Tasks status, with percentage completed and if ahead or behind schedule;

- Proposed changes to the work plan;
- Identification of Contractor staff assigned to specific project activities;
- Planned absences of Contractor project staff and their return date;
- Notification of staffing changes; and
- Provided electronically in a .pdf or other mutually agreed upon format with signed hard copies mailed.
- The Contractor is required to report incidents involving state data immediately to the State Project Manager and the Chief Information Security Officer.
- Immediate notification of any issues, concerns, or problems that impact or delay the project or potentially prohibit completion of the project and how the Contractor intends to resolve them.

**Change Request Review and Approval Process.** The Contractor must provide a change request review and approval process. The process shall address 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. Any change request that results in a Contract amendment will be formally processed and approved by DAS.

**Project Management Deliverables.** Deliverables to be produced by the Contractor must include the following:

1. Updated Project Plan,
2. Risk Management Plan; and,
3. Status Reports\*

\*The status reports and routine project schedule updates do not require a Deliverable review cycle and are not part of the Deliverable payment described in the Contractor's Fee Structure. The initial updated project schedule and any re-base lined project schedules will follow the formal approval process.

## 2. Stakeholder Engagement

The State's goal is to rapidly deploy the PDSS system into most of the 88 counties throughout the state and will require coordination between the BMV headquarters, the ODPS technical staff, the 70 individual license agencies, equipment delivery staff, and any subcontractors.

The Contractor will support the State team in order to:

- a. Guide/coach multiple stakeholders through a collaborative design and implementation process.
- b. Collect on-going stakeholder input and participation to perform a design, implementation plan and continuous quality improvement process.
- c. Collaborate with stakeholders on communication processes to provide feedback and request services during implementation, support, and maintenance periods.

Tasks include, but are not limited to:

- a. Effective context-relevant strategies/methods of group facilitation (focus group, consensus building, and/or conflict resolution as needed).
- b. Stakeholder meeting facilitation (monthly and/or as needed).
- c. Meeting forums, reports, action steps, and recommendations per facilitation.
- d. Modern and effective facilitation design and format conducive of communication and productivity including:

1. Web;
  - i. Live webcasts, with interactive question and answer sessions;
  - ii. Podcast summaries of meetings, and project-specific podcasts and webinars; and
  - iii. Online surveys targeted at the stakeholders.
2. Onsite;
  - i. Geographic/region concentration; and
  - ii. Project specific email alerts.

### 3. **Design Services**

The Contractor will provide ODPS with a collaborative, multi-stakeholder process to detail all aspects of the State's PDSS technical requirements and guide the development and implementation.

Offerors solution must include the following technical requirements:

#### **General Requirements:**

1. PDSS software must be developed and supported in the United States.
2. PDSS solution must be able to interface with the BMV's Business Application Services System (BASS) and both accept and send information by utilizing web service over a secure network connection. Real-time communication with the BASS application is required. This will include at a minimum accepting a unique applicant identifier from BASS as well as providing data to be displayed via the BASS software on the BMV supervisor station. See Supplement Three for details on BASS.
3. PDSS solution must have the ability to record the number of test assessment attempts from each applicant and the score for each applicant. Scoring must include at minimum a pass / fail for each of the tasks. A cumulative score for the entire test may also be included.
4. PDSS solution documentation must describe the method of accepting a unique identifier from BASS used for each applicant. This will be a unique number for each applicant and the PDSS must maintain the applicant's number of attempts and scores for each assessment attempt made by applicant.
5. PDSS solution must include a familiarization scenario available to all applicants prior to reporting to the test site. Familiarization scenario (an example of how to use the DRIVER SIMULATOR) must be available to the public online in one of two ways, either a web site or a web portal. The web site or web portal must be branded with ODPS information. Additional advertising will not be allowed.
6. PDSS solution must be able to measure Driver Reaction Times – The reaction times must be measurable and must be a factor when scoring the applicant. PDSS application must measure and report the time it takes applicants to brake, stop, accelerate, and decelerate; steering reactions; and turn signal reactions. All of these specific areas must be able to be reported on in real time, as independent and cumulative data points. This information must be immediately available to the supervisory console so the driver's examiner has the results of the test.
7. PDSS solution must measure speed relative to posted limits within each simulated scenario. This specific area must be reported on in real time, as independent and cumulative data points.
8. PDSS solution must use the Motor Vehicle Handbook or National Standard California Gold Standard as the basis for standards in reference to Ohio Laws in the development of

assessment scenarios. The Digest of Ohio Motor Vehicle Laws may be reviewed at <http://www.bmv.ohio.gov/index.aspx>.

9. PDSS solution must include a detailed specification sheet for all necessary equipment, hardware, and other vehicle simulator components (e.g. desktop system, steering, turn-signals, and pedal components). The ODPS reserves the right to purchase these components, in part or total, outside of this Contract. The ODPS has standardized its desktop computer hardware on Dell platforms and prefers that Dell components be specified where possible. At the minimum the list of equipment must state the manufacture’s brand name, model name, manufacture’s part number, processor capabilities, graphics processing capabilities, color and size of equipment provided, and software specifications. Provide the method of attachment to testing desk carrel and a scale diagram of how the equipment will fit within the constraints of the ODPS provided desk carrel. For reference purposes, current State of Ohio Dell desktop system purchases are made via these two State Term Schedule contracts: 534109 and 534278 which may be reviewed at [procure.ohio.gov](http://procure.ohio.gov).
10. Hardware Components - Each system must be a desktop form factor and at a minimum meet the following requirements (all “plans” will be executed by the awarded Contractor):
  - a. Offeror to deliver a PC based system including all peripherals to successfully operate the system, 1 single Monitor less than 30 inches wide (desk carrel diagram in Supplement Three), peripheral equipment (e.g. steering column, foot pedals, turn signals, and headphones).
  - b. Offeror to Provide maintenance plan for all hardware
  - c. Offeror to Provide physical security plan for all hardware
  - d. Offeror to Provide plan for protecting the hardware and all associated hardware from a malicious attack and from unauthorized access (both internal and external)
  - e. Offeror to Provide plan for fully maintaining the operating system including, but not limited to, security and maintenance patches
  - f. Offeror to Provide plan for fully maintaining any other software running on the hardware (e.g., Internet Explorer) including, but not limited to, security and maintenance patches
  - g. Offeror to Provide a plan for attachment of peripherals to testing station desk

11. LOCATIONS:

|  |                          |
|--|--------------------------|
| <i>PDSS will be deployed at locations throughout the State of Ohio: See Supplement Three</i> |                          |
| <b>Simulation Systems Distribution</b>   | <b>Number of Systems</b> |
| PDSS at license agencies   | 164                      |
| ODPS IT Department test system   | 1                        |
| ODPS Staff test system   | 1                        |
| ODPS Inventory Bank  | 20                       |
| <b>Total</b>   | <b>186</b>               |

**Assessment Requirements:**

1. Assessment Scoring - Calculations and algorithms will be determined after Contractor selection with the selected Contractor and business unit collaboration events. For the purpose of this RFP provide an example of the scoring capabilities currently available within your solution.
2. Assessment Requirements – Limited assessment for applicants prior to the applicant taking a driver’s road test must include the following listed below under “Tasks for Limited Assessment.” For each of the tasks, Offerors must provide an explanation of the applicant’s on-screen view.

Offerors must provide a written dialog (script) of the verbal instructions provided to the applicant by the virtual driver examiner. Offerors must provide screen shots of each of the tasks as viewed by the applicant taking the assessment.

3. Tasks for Limited Assessment – Each driving scenario must randomize events, course layout, and design so any applicant required to re-test will not recognize the test or order of scenarios developed. At a minimum each scenario must include each of the following tasks:
  - a. Required Tasks:
    - i. 2 right turns
    - ii. 2 left turns
    - iii. 1 stop sign
    - iv. 1 stop bar
    - v. 1 traffic light
    - vi. 1 school zone
    - vii. 1 lane change
    - viii. 1 cross walk
    - ix. Rural and City
    - x. Variable hazards (e.g. road hazard, pedestrian)
  - b. Supplemental Tasks:
    - i. Time constraints
    - ii. RR crossing
    - iii. Emergency vehicles – moving
    - iv. Emergency vehicles stationary and utility vehicles on side of road
4. PDSS solution must have a minimum of ten (10) separate randomized scenarios per assessment. Each scenario must include a virtual driver's examiner to deliver instructions to the applicant taking the PDSS assessment.
5. PDSS solution must, at a minimum, provide the scored assessment to the BMV supervisor station BASS application screen located at each of the BMV locations in Supplement Three, as well as transmitting the results back to the BMV headquarters. The ODPS BASS team will work with the Contractor to develop this application screen.
6. PDSS solution screen flow, instructions, and diagrams must demonstrate operational effectiveness for staff and the applicant. Offerors must provide screen shots, dialog of driver examiner verbal instructions, descriptions of screen flow, and a narrative addressing the following aspects of their PDSS solution:
  - a. Administration functions
  - b. Applicant functions
  - c. Solution navigation
  - d. Solution error tolerance
  - e. Applicant engagement
  - f. Sound capabilities and realism
  - g. Graphic capabilities and realism with seamless transition between scenarios
  - h. Overall solution aesthetics

### **Technical Requirements:**

The Offeror may select to provide either an on premise or hosted solution, but must provide these as two separate Proposals. The following Technical Requirements are broken down into the two categories, as well as including requirements associated with both potential solutions.

For a client-server on premise based solution:

1. PDSS solution must adhere to the all terms and conditions, including those outlined in Attachment Ten – Master Contract for Software Licensing.
2. PDSS solution must be fully operational from inside the ODPS Firewall; all software updates by the Contractor to the onsite software must be made via a secure network connection.
3. The minimum server requirements are as follows:
  - a. Must be compatible Microsoft Server 2012
  - b. Must be compatible with SQL Server 2012
  - c. Must be load balance capable (given the large number of users distributed across the State)
  - d. Must be able to run virtually using VMWare
4. PDSS solution must meet or exceed the standards or guidelines set by the State. The ODPS protects its computing environment according to the 20 Consensus Audit Guidelines (CAG) published by the System Administration, Networking, and Security Institute (SANS) Institute, and select National Institute of Standards and Technology (NIST) Special Publication 800-53 security controls. Respondent must describe how their proposed PDSS solution adheres to these industry standard guidelines and standards, including, but not limited to:
  - a. Access control capabilities based on ODPS' Active Directory (AD) structure:
    - i. Separation of duties and role-based administration/access.
    - ii. Multi-tenant/delegation management.
    - iii. Identification and authorization based on the ODPS AD structure.
  - b. Monitoring, and analysis of audit logs:
    - i. Native capability/functionality to meet the requirements of ORC 1347.15.
    - ii. Generation of logs in Windows event format, or syslog.
    - iii. Log forwarding to multiple log management and aggregation systems including but not limited to: QRadar, Splunk, Imperva, and Kiwi.
  - c. Continuous vulnerability assessment and remediation:
    - i. Periodic security patch release and out of band releases to address zero-day vulnerabilities (provide explanation of any annual schedule or historical information regarding releases).
    - ii. Impact to the business/production environment (scheduled outage requirements, emergency break/fix, etc.).
    - iii. Compatibility of security patches with the ODPS Windows-based computing environment.
    - iv. Forward compatibility with standard productivity tools (Microsoft Office 365), and other standard software (Adobe, Java/JRE, etc.).
    - v. Compatibility with McAfee-based Windows server and endpoint protection. - Compatibility with Cisco networking environment security systems, controls, and protocols.
  - d. State IT policy, standards, bulletins, and procedures: The Contractor must comply with the following:
    - i. State IT policy - <http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITPolicies/tabid/107/Default.aspx>

- ii. State IT standards - <http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITStandards/tabid/108/Default.aspx>
  - iii. State IT bulletins - <http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITBulletins/tabid/111/Default.aspx>
  - iv. State IT procedures - <http://das.ohio.gov/Divisions/InformationTechnology/OhioEnterpriseITProcedures/tabid/110/Default.aspx>
  - v. House Bill 648 - [http://www.legislature.state.oh.us/bills.cfm?ID=127\\_HB\\_648](http://www.legislature.state.oh.us/bills.cfm?ID=127_HB_648)
- e. Offeror must describe all other controls, policies, guidelines, and regulatory requirements pertaining to data confidentiality, integrity, and availability.

For a web-based hosted solution:

1. PDSS solution must adhere to the all terms and conditions, including those outlined in Attachment Eleven – Master Cloud Services Agreement.
2. PDSS solution must be compatible with Internet Explorer 9, 10 or 11 running on a Windows 7 64-bit PC.
3. PDSS solution must meet or exceed the standards or guidelines set by the State. The ODPS protects its computing environment according to the 20 Consensus Audit Guidelines (CAG) published by the System Administration, Networking, and Security Institute (SANS) Institute, and select National Institute of Standards and Technology (NIST) Special Publication 800-53 security controls. Respondent must describe how their proposed PDSS solution adheres to these industry standard guidelines and standards, including, but not limited to:
  - a. Access control capabilities based on ODPS' Active Directory (AD) structure:
    - i. Separation of duties and role-based administration/access.
    - ii. Multi-tenant/delegation management.
    - iii. Identification and authorization based on the ODPS AD structure.
  - b. Monitoring, and analysis of audit logs:
    - i. Native capability/functionality to meet the requirements of ORC 1347.15.
    - ii. Generation of logs in Windows event format, or syslog.
    - iii. Log forwarding to multiple log management and aggregation systems including but not limited to: QRadar, Splunk, Imperva, and Kiwi.
  - c. Continuous vulnerability assessment and remediation:
    - i. Periodic security patch release and out of band releases to address zero-day vulnerabilities (provide explanation of any annual schedule or historical information regarding releases).
    - ii. Impact to the business/production environment (scheduled outage requirements, emergency break/fix, etc.).
    - iii. Compatibility of security patches with the ODPS Windows-based computing environment.
    - iv. Forward compatibility with standard productivity tools (Microsoft Office 365), and other standard software (Adobe, Java/JRE, etc.).
    - v. Compatibility with McAfee-based Windows server and endpoint protection. - Compatibility with Cisco networking environment security systems, controls, and protocols.

- d. State IT policy, standards, bulletins, and procedures: The Contractor must comply with the following:
  - i. State IT policy - <http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITPolicies/tabid/107/Default.aspx>
  - ii. State IT standards - <http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITStandards/tabid/108/Default.aspx>
  - iii. State IT bulletins - <http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITBulletins/tabid/111/Default.aspx>
  - iv. State IT procedures - <http://das.ohio.gov/Divisions/InformationTechnology/OhioEnterpriseITProcedures/tabid/110/Default.aspx>
  - v. House Bill 648 - [http://www.legislature.state.oh.us/bills.cfm?ID=127\\_HB\\_648](http://www.legislature.state.oh.us/bills.cfm?ID=127_HB_648)
- e. Offeror must describe all other controls, policies, guidelines, and regulatory requirements pertaining to data confidentiality, integrity, and availability.

#### 4. Implementation

Offeror must propose an implementation strategy, QA testing plan, and detailed deployment plan to each location with a PDSS solution go-live date of **October 10, 2016**.

Implementation Plan must state the following at the minimum:

1. Master Project Schedule (Deliverable) A description of the tasks that will be performed to accomplish the implementation, delivery, and acceptance of the system, including a detailed work plan with task schedules, BMV effort, and milestones. (Gantt chart)
2. A deployment schedule for each of the field locations in Supplement Three, including the method of deployment for the 164 PDSS systems:
  - a. Offeror may not deliver equipment to the field locations (Supplement Three) more than 24 hours in advance of installation. The ODPS Alum Creek Facility (ACF) located at 1583 Alum Creek Drive, Columbus, OH 43209 does have the capability to warehouse the equipment prior to deployment if this service is necessary for the execution of the Offerors implementation plan. There is no cost to the awarded Contractor for this service. However, this option must be specified as part of the implementation plan. A minimum of 48-hour notice is required to remove equipment from the ACF facility for delivery and installation.
  - b. Offerors utilizing the ACF must have all of the equipment asset tagged and recorded by the ODPS Inventory Control staff. If the ACF facility is not being used, Offeror is responsible for secure storage of equipment at their cost and must provide asset tagging services coordinated with the ODPS Inventory Control Supervisor.
  - c. All deliveries must include a packing slip with details of items being delivered. Packing slip must have the Purchase Order number printed on the form. This includes

when an Offeror proposes having the installer arrive with the equipment in hand. The packing slip must be verified by an on-site ODPS employee.

- d. Offeror must propose a plan for notification to location staff of appointment date and time, equipment arrival date, approximate length of install time, and the name of the installer.

## 5. Training

Training developed and delivered for approximately 250 employees (total) consisting of two (2) sessions at the Ohio Department of Transportation (ODOT) Auditorium located at 1980 W. Broad St., Columbus, OH 43223. The training must occur in conjunction with the deployment of the solution, preferably just prior to implementation in the field. Training shall be no more than one (1) week ahead of go-live.

Minimum training requirements:

1. Two (2) instructor lead training sessions with an on screen presentation and hard copy handouts. Materials for training session must include both an electronic and hard copy version in either PDF or as a Microsoft PowerPoint presentation. During the training the ODPS expects attendees will be given small group hands-on experience on the Driver simulators to demonstrate their learned skills with the actual simulators being provided under this Contract. Training sessions must be held as two sessions only.
2. The training session must include the following at a minimum:
  - a. Instructions on the set up of the working system for a DL applicant (e.g. turning the system on and checking system that the application is working properly).
  - b. Instruction on the proper procedure to start the tutorial and test for the DL applicant.
  - c. Instruction on obtaining the test result for each DL applicant attending the training session.
  - d. Perform a hands on demonstration(s) in small workgroups of six to eight employees of the proper procedures to administer the simulator assessment.
  - e. Provide a hardcopy quick reference guide for all attendees.
3. A technical training for ODPS staff monitoring the PDSS solution must also be scheduled (10 possible attendees):
  - a. Technical training to include both electronic and hard copy manuals and training materials for each IT staff attending.
  - b. Technical training must be in person with a hands on demonstration to include all items for listed in the regular assessment administrator training above including a demonstration using a simulator.
  - c. Technical training must include troubleshooting the PDSS solution and all technical requirements.
  - d. Technical training must cover all hardware, software, system, and peripheral's use, maintenance and support.

## 6. Maintenance and Support

The Offeror will be responsible for providing Maintenance and Support during the period following acceptance of the PDSS solution implementation. A maintenance and support plan for the PDSS solution must be described in detail. The plan must include all software, hardware, and peripherals including warranty specifications (copies of the associated warranties must be attached to the proposal). The State's warranty period for all software, hardware, and peripherals must not begin until full, accepted delivery of the solution is complete.

The proposed plan must address help desk support during the BMV business hours 6 days a week. Maintenance must be accomplished within the principal BMV hours from 8:00 a.m. to 5:00 p.m., Monday through Friday and 8:00 AM to 2:00 PM on Saturday, excluding official State of Ohio holidays.

The proposed plan must address the method for swapping out equipment if replacements are required due to malfunction. Proposal must state which party will be responsible for the on-site equipment replacements and how that process will work.

The proposed plan must also address Business Continuity and Disaster Recovery. A detailed description addressing staffing, power, and network issues or shortages, must be submitted within 30 calendar days prior to User Acceptance Testing, and scheduled via the Project Plan.

## 7. Program Transition

1. Conduct transition activities at the end of the Contract to ensure continuity of operations. Transition Plan. The Offeror must submit a plan that the Offeror will use at the end of the Contract to facilitate the changeover of Contract activities from one organization to the next. The Transition Plan must, at a minimum, include detail sufficient to give the State an understanding of how the Offeror will approach the successful and complete transition of all driver simulator functions and activities. The Transition Plan must include length of the transition period, transition activities and any anticipated business downtime.

## 8. 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 State.

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.

Each SLA will be measured on a monthly basis.

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.

| Service Level  | Requirements  |   |  |
|--|---|---|--|
|  | Support Hours   | Response  | Resolution/Remedy  |
| <b>System and Equipment Availability.</b> The PDSS system and any other support technologies required must maintain an uptime of 99.5% in a day.   | Monday through Friday 8:00 am to 5:00 pm and Saturday 8:00 am to 12:00 pm | Notification upon unavailability.   | If a lengthy failure occurs, the Contractor must provide staff to complete any backlogged work.  |
| <b>System Backup.</b> The Contractor must provide a complete backup system to ensure that if a Contractor-provided device or server fails, production will not be affected.  | Monday through Friday 8:00 am to 5:00 pm and Saturday 8:00 am to 12:00 pm | Immediate notice to ODPS of missed or failed backup.                                | If a failure of the Contractor's equipment or software results in more than two downtime periods exceeding 6 consecutive hours each within 5 consecutive calendar days, the equipment must be replaced with new equipment at no cost to the State. |
| <b>Technical Support and Service Availability.</b> The Offeror will ensure that repair and/or replacement of devices occurs as necessary within 24 hours of receiving notification of the need for repair/replacement. | Monday through Friday 8:00 am to 5:00 pm and Saturday 8:00 am to 12:00 pm | Immediate notice to ODPS of device failure.   | Repair and/or replacement must be completed.   |
| <b>Issue Resolution.</b> Mean Time to Repair/Resolve   | Monday through Friday 8:00 am to 5:00 pm and Saturday 8:00 am to 12:00 pm | Contractor must be onsite within 4 hours  | The issues must be resolved within 24 hours.   |
| <b>Critical Business Impact Incident.</b> Contractor must provide ongoing support and service to users of the PDSS system.   | Monday through Friday 8:00 am to 5:00 pm and Saturday 8:00 am to 12:00 pm | Notification of failure within Issue Management procedures outlined in the contract | Resolution detailed and categorized via email within 24 hours.   |
| <b>Major Business Impact Incident.</b> Contractor must provide ongoing support and service to users of the PDSS system.  | Monday through Friday 8:00 am to 5:00 pm and Saturday 8:00 am to 12:00 pm | Contractor acknowledge response within 10 minutes.                                  | Resolution detailed and categorized via email within 24 hours.   |
| <b>Moderate Business Impact Incident.</b> Contractor must provide ongoing support and service to users of the PDSS system.   | Monday through Friday 8:00 am to 5:00 pm and Saturday 8:00 am to 12:00 pm | Contractor acknowledge response within 60 minutes.                                  | Resolution detailed and categorized via email within 24 hours.   |
| <b>Minimal Business Impact Incident.</b> Contractor must provide ongoing support and service to users of the PDSS system.  | Monday through Friday 8:00 am to 5:00 pm and Saturday 8:00 am to 12:00 pm | Contractor acknowledge response within 60 minutes.                                  | Resolution detailed and categorized via email within 24 hours.   |

SLAs will commence when the Project is initiated.

**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 SLA;
- the amount of any monthly performance credit for each SLA;
- the year-to-date total performance credit balance for each SLA and all the SLAs;
- a "Root-Cause Analysis" and corrective action plan with respect to any SLA where the Individual SLA was failed during the preceding month; and

- Trend or statistical analysis with respect to each SLA 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 Commitments.** The Contractor will meet the SLAs set forth in the charts below:

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

**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: 
$$\frac{\text{Total milestones in period} - \text{Total milestones missed}}{\text{Total milestones in period}}$$

Measurement Period: Monthly, during project

Data Source: Weekly project report, project plan and timeline

Frequency of Collection: Weekly

Service Level required: greater than 90%

**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:

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

Measurement Period: Monthly, during project

Data Source:

Frequency of Collection: Ongoing

Service Level required: greater than 85%

**Maintenance and Support**

Service Level Agreement

Specification: % Unscheduled downtime

Definition: The State's ability to administer applicant assessments using the PDSS solution requires system availability both at the individual unit level and system wide level.

This service level will commence upon post Implementation system acceptance and will prevail until Project completion.

The proposed plan must address help desk support during the BMV business hours 6 days a week. Maintenance must be accomplished within the principal BMV hours from 8:00 a.m. to 5:00 p.m., Monday through Friday and 8:00 AM to 2:00 PM on Saturday, excluding official State of Ohio holidays.

Formula:

$$\begin{array}{rcl} \% & & \# \text{ Deliverables accepted during period} \\ \text{Deliverable} & = & \\ \text{acceptance} & & \# \text{ Deliverables presented during period} \end{array}$$

Measurement Period: Monthly, during project

Data Source:

Frequency of Collection: Ongoing

Service Level required: greater than 85%

## STATE ROLES AND RESPONSIBILITIES

The following State personnel will be available during the Project.

### State Project Manager

Provides project management oversight of the Project to ensure the Contractor completes the work as designed and in accordance with approved Project Plan. The State Project Manager will be the single point of contact for the State regarding Project related matters.

### State Core Subject Matter Experts (SMEs)

The State's key Project team members that participate in Project related tasks (e.g., deliverable reviews, design sessions, training, etc.).

## CONTRACTOR ROLES AND RESPONSIBILITIES

**The Contractor must employ, maintain, and execute a project management methodology that complies with Project Management Institute (PMI) standards or their equivalent. The Contractor must describe the project management approach and methodology to be used for all phases of the project lifecycle, including all tools, technologies, resources and other components required for**

## **successful implementation.**

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

### **Contractor Project Manager**

Role: The Contractor Project Manager (PM) must provide project management for the term of the Project.

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

### **Contractor Core Subject Matter Experts (SMEs)**

The Contractor's key Project team members that participate in Project related tasks (e.g., research and analysis, stakeholder engagement, design, training, etc.).

## SUPPLEMENT TWO

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## Overview and Scope

This Supplement shall apply to any and all Work, Services, Locations and Computing Elements that the Contractor will perform, provide, occupy or utilize in conjunction with the delivery of work to the State and any access of State resources in conjunction with delivery of work.

This scope shall specifically apply to:

- Major and Minor Projects, Upgrades, Updates, Fixes, Patches and other Software and Systems inclusive of all State elements or elements under the Contractor's responsibility utilized by the State;
- Any systems development, integration, operations and maintenance activities performed by the Contractor;
- Any authorized Change Orders, Change Requests, Statements of Work, extensions or Amendments to this agreement;
- Contractor locations, equipment and personnel that access State systems, networks or data directly or indirectly; and
- Any Contractor personnel, or sub-Contracted personnel that have access to State confidential, personal, financial, infrastructure details or sensitive data.

The terms in this Supplement are additive to the Standard State Terms and Conditions contained elsewhere in this agreement. In the event of a conflict for whatever reason, the highest standard contained in this agreement shall prevail.

## 1. General State Security and Information Privacy Standards and Requirements

The Contractor will be responsible for maintaining information security in environments under the Contractor's management and in accordance with State IT Security Policies. The Contractor will implement an information security policy and security capability as set forth in this agreement.

The Contractor's responsibilities with respect to Security Services will include the following:

- Provide vulnerability management Services for the Contractor's internal secure network connection, including supporting remediation for identified vulnerabilities as agreed.
- Support the implementation and compliance monitoring for State IT Security Policies.
- Develop, maintain, update, and implement security procedures, with State review and approval, including physical access strategies and standards, ID approval procedures and a breach of security action plan.
- Manage and administer access to the systems, networks, System software, systems files and State data, excluding end-users.
- Provide support in implementation of programs to educate State and Contractor end-users and staff on security policies and compliance.
- Install and update Systems software security, assign and reset passwords per established procedures, provide the State access to create User ID's, suspend and delete inactive logon IDs, research system security problems, maintain network access authority, assist in processing State security requests, perform security reviews to confirm that adequate security procedures are in place on an ongoing basis, and provide incident investigation support (jointly with the State ), and provide environment and server security support and technical advice.
- Develop, implement, and maintain a set of automated and manual processes to ensure that data access rules are not compromised.
- Perform physical security functions (e.g., identification badge controls, alarm responses) at the facilities under the Contractor's control.
- Prepare an Information Security Controls Document. This document is the security document that is used to capture the security policies and technical controls that the Contractor will implement, as requested by the State, on Contractor managed systems, supported servers and the LAN within the scope of this agreement. The Contractor will submit a draft document for State review and approval during the transition period.

The State will:

- Develop, maintain and update the State IT Security Policies, including applicable State information risk policies, standards and procedures.
- Provide a State Single Point of Contact with responsibility for account security audits;
- Support intrusion detection and prevention and vulnerability scanning pursuant to State IT Security Policies;
- Provide the State security audit findings material for the Services based upon the security policies, standards and practices in effect as of the Effective Date and any subsequent updates.
- Assist the Contractor in performing a baseline inventory of access IDs for the systems for which the Contractor has security responsibility;
- Authorize User IDs and passwords for the State personnel for the Systems software, software tools and network infrastructure systems and devices under Contractor management;
- Approve non-expiring passwords and policy exception requests, as appropriate.

### 1.1. State Provided Elements: Contractor Responsibility Considerations

The State is responsible for Network Layer (meaning the internet Protocol suite and the open systems interconnection model of computer networking protocols and methods to process communications across the IP network) system services and functions that build upon State infrastructure environment elements, the

Contractor shall not be responsible for the implementation of Security Services of these systems as these shall be retained by the State.

To the extent that Contractor's access or utilize State provided networks, the Contractor is responsible for adhering to State policies and use procedures and do so in a manner as to not diminish established State capabilities and standards.

The Contractor will be responsible for maintaining the security of information in environment elements that it accesses, utilizes, develops or manages in accordance with the State Security Policy. The Contractor will implement information security policies and capabilities, upon review and agreement by the State, based on the Contractors standard service center security processes that satisfy the State's requirements contained herein.

The Contractor's responsibilities with respect to security services must also include the following:

- Support intrusion detection & prevention including prompt agency notification of such events, reporting, monitoring and assessing security events.
- Provide vulnerability management services including supporting remediation for identified vulnerabilities as agreed.
- Support the State IT Security Policy which includes the development, maintenance, updates, and implementation of security procedures with the agency's review and approval, including physical access strategies and standards, ID approval procedures and a breach of security action plan.
- Support OIT in the implementation, maintenance and updating of statewide data security policies, including the State information risk policies, standards and procedures.
- Managing and administering access to the systems, networks, Operating Software or System Software, (including programs, device drivers, microcode and related code supporting documentation and media that: 1) perform tasks basic to the functioning of data processing and network connectivity; and 2) are required to operate Applications Software), systems files and the State Data.
- Supporting the State in implementation of programs to raise the awareness of End Users and staff personnel as to the existence and importance of security policy compliance.
- Installing and updating State provided or approved system security Software, assigning and resetting passwords per established procedures, providing the agency access to create user ID's, suspend and delete inactive logon IDs, research system security problems, maintain network access authority, assisting in processing the agency requested security requests, performing security audits to confirm that adequate security procedures are in place on an ongoing basis, with the agency's assistance providing incident investigation support, and providing environment and server security support and technical advice.
- Developing, implementing, and maintaining a set of automated and manual processes so that the State data access rules, as they are made known by the State, are not compromised.
- Performing physical security functions (e.g., identification badge controls, alarm responses) at the facilities under Contractor control.

## **1.2. Periodic Security and Privacy Audits**

The State shall be responsible for conducting periodic security and privacy audits and generally utilizes members of the OIT Chief Information Security Officer and Privacy teams, the OBM Office of Internal Audit and the Auditor of State, depending on the focus area of an audit. Should an audit issue or finding be discovered the following resolution path shall apply:

- If a security or privacy issue is determined to be pre-existing to this agreement, the State will have responsibility to address or resolve the issue. Dependent on the nature of the issue the State may elect to contract with the Contractor under mutually agreeable terms for those specific resolution services at that time or elect to address the issue independent of the Contractor.

- For in-scope environments and services, all new systems implemented or deployed by the Contractor shall comply with State security and privacy policies.

### 1.3. Annual Security Plan: State and Contractor Obligations

The Contractor will develop, implement and thereafter maintain annually a Security Plan for review, comment and approval by the State Information Security and Privacy Officer, that a minimum must include and implement processes for the following items related to the system and services:

- Security policies
- Logical security controls (privacy, user access and authentication, user permissions, etc.)
- Technical security controls and security architecture (communications, hardware, data, physical access, software, operating system, encryption, etc.)
- Security processes (security assessments, risk assessments, incident response, etc.)
- Detail the technical specifics to satisfy the following:
- Network segmentation
- Perimeter security
- Application security and data sensitivity classification
- PHI and PII data elements
- Intrusion management
- Monitoring and reporting
- Host hardening
- Remote access
- Encryption
- State-wide active directory services for authentication
- Interface security
- Security test procedures
- Managing network security devices
- Security patch management
- Detailed diagrams depicting all security-related devices and subsystems and their relationships with other systems for which they provide controls
- Secure communications over the Internet

The Security Plan must detail how security will be controlled during the implementation of the System and Services and contain the following:

- High-level description of the program and projects
- Security risks and concerns
- Security roles and responsibilities
- Program and project security policies and guidelines
- Security-specific project deliverables and processes
- Security team review and approval process
- Security-Identity management and Access Control for Contractor and State joiners, movers, and leavers
- Data Protection Plan for personal/sensitive data within the projects
- Business continuity and disaster recovery plan for the projects
- Infrastructure architecture and security processes

- Application security and industry best practices for the projects
- Vulnerability and threat management plan (cyber security)

#### 1.4. State Network Access (VPN)

Any remote access to State systems and networks, Contractor or otherwise, must employ secure data transmission protocols, including the secure sockets layer (SSL) protocol and public key authentication, signing and encryption. In addition, any remote access solution must use Secure Multipurpose Internet Mail Extensions (S/MIME) to provide encryption and non-repudiation services through digital certificates and the provided PKI. Multi-factor authentication is to be employed for users with privileged network access by leveraging the State of Ohio RSA solution.

#### 1.5. Security and Data Protection.

All Services must also operate at the [moderate level baseline] as defined in the National Institute of Standards and Technology (“NIST”) 800-53 Rev. 3 [moderate baseline requirements], be consistent with Federal Information Security Management Act (“FISMA”) requirements, and offer a customizable and extendable capability based on open-standards APIs that enable integration with third party applications. Additionally, they must provide the State’s systems administrators with 24x7 visibility into the services through a real-time, web-based “dashboard” capability that enables them to monitor, in real or near real time, the Services’ performance against the established SLAs and promised operational parameters.

#### 1.6. State Information Technology Policies

The Contractor is responsible for maintaining the security of information in environment elements under direct management and in accordance with State Security policies and standards. The Contractor will implement information security policies and capabilities as set forth in Statements of Work and, upon review and agreement by the State, based on the Offerors standard service center security processes that satisfy the State’s requirements contained herein. The Offerors responsibilities with respect to security services include the following:

- Support intrusion detection & prevention including prompt agency notification of such events, reporting, monitoring and assessing security events.
- Support the State IT Security Policy which includes the development, maintenance, updates, and implementation of security procedures with the agency’s review and approval, including physical access strategies and standards, ID approval procedures and a breach of security action plan.
- Managing and administering access to the Operating Software, systems files and the State Data.
- Installing and updating State provided or approved system security Software, assigning and resetting administrative passwords per established procedures, providing the agency access to create administrative user ID’s, suspending and deleting inactive logon IDs, researching system security problems, maintaining network access authority, assist processing of the agency requested security requests, performing security audits to confirm that adequate security procedures are in place on an ongoing basis, with the agency’s assistance providing incident investigation support, and providing environment and server security support and technical advice.
- Developing, implementing, and maintaining a set of automated and manual processes so that the State data access rules are not compromised.
- Where the Contractor identifies a potential issue in maintaining an “as provided” State infrastructure element with the more stringent requirement of an agency security policy (which may be federally mandated or otherwise required by law), identifying to agencies the nature of the issue, and if possible, potential remedies for consideration by the State agency.
- The State shall be responsible for conducting periodic security and privacy audits and generally utilizes members of the OIT Chief Information Security Officer and Privacy teams, the OBM Office of Internal Audit

and the Auditor of State, depending on the focus area of an audit. Should an audit issue be discovered the following resolution path shall apply:

- If a security or privacy issue is determined to be pre-existing to this agreement, the State will have responsibility to address or resolve the issue. Dependent on the nature of the issue the State may elect to contract with the Contractor under mutually agreeable terms for those specific resolution services at that time or elect to address the issue independent of the Contractor.
- If over the course of delivering services to the State under this Statement of Work for in-scope environments the Contractor becomes aware of an issue, or a potential issue that was not detected by security and privacy teams the Contractor is to notify the State within two (2) hours. This notification shall not minimize the more stringent Service Level Agreements pertaining to security scans and breaches contained herein, which due to the nature of an active breach shall take precedence over this notification. Dependent on the nature of the issue the State may elect to contract with the Contractor under mutually agreeable terms for those specific resolution services at that time or elect to address the issue independent of the Contractor.
- For in-scope environments and services, all new systems implemented or deployed by the Contractor shall comply with State security and privacy policies.

The Contractor will comply with State Security and Privacy policies and standards. For purposes of convenience, a compendium of links to this information is provided in the Table below.

**State of Ohio Security and Privacy Policies**

| Item                            | Link  |
|---------------------------------|---|
| Statewide IT Standards          | <a href="http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITStandards.aspx">http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITStandards.aspx</a>   |
| Statewide IT Bulletins          | <a href="http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITBulletins.aspx">http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITBulletins.aspx</a>   |
| IT Policies and Standards       | <a href="http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITPolicies/tabid/107/Default.aspx">http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITPolicies/tabid/107/Default.aspx</a>   |
| DAS Standards (Computing and??) | 100-11 Protecting Privacy), (700 Series – Computing) and (2000 Series – IT Operations and Management) <a href="http://das.ohio.gov/Divisions/DirectorsOffice/EmployeesServices/DASPolicies/tabid/463/Default.aspx">http://das.ohio.gov/Divisions/DirectorsOffice/EmployeesServices/DASPolicies/tabid/463/Default.aspx</a> |

**2. State and Federal Data Privacy Requirements**

Because the privacy of individuals’ personally identifiable information (PII) and State Sensitive Information, generally information that is not subject to disclosures under Ohio Public Records law, (SSI) is a key element to maintaining the public’s trust in working with the State, all systems and services shall be designed and shall function according to the following fair information practices principles. To the extent that personally identifiable information in the system is “protected health information” under the HIPAA Privacy Rule, these principles shall be implemented in alignment with the HIPAA Privacy Rule. To the extent that there is PII in the system that is not “protected health information” under HIPAA, these principles shall still be implemented and, when applicable, aligned to other law or regulation.

All parties to this agreement specifically agree to comply with state and federal confidentiality and information disclosure laws, rules and regulations applicable to work associated with this RFP including but not limited to:

- United States Code 42 USC 1320d through 1320d-8 (HIPAA);
- Code of Federal Regulations, 42 CFR 431.300, 431.302, 431.305, 431.306, 435.945,45 CFR164.502 (e) and 164.504 (e);
- Ohio Revised Code, ORC 173.20, 173.22, 1347.01 through 1347.99, 2305.24, 2305.251, 3701.243, 3701.028, 4123.27, 5101.26, 5101.27, 5101.572, 5112.21, and 5111.61; and
- Corresponding Ohio Administrative Code Rules and Updates.
- Systems and Services must support and comply with the State’s security operational support model which is aligned to NIST 800-53 Revision 3.

## 2.1. Protection of State Data

**Protection of State Data.** To protect State Data as described in this agreement, in addition to its other duties regarding State Data, Contractor will:

- Maintain in confidence any personally identifiable information (“PI”) and State Sensitive Information (“SSI”) it may obtain, maintain, process, or otherwise receive from or through the State in the course of the Agreement;
- Use and permit its employees, officers, agents, and independent contractors to use any PI/SSI received from the State solely for those purposes expressly contemplated by the Agreement;
- Not sell, rent, lease or disclose, or permit its employees, officers, agents, and independent contractors to sell, rent, lease, or disclose, any such PI/SSI to any third party, except as permitted under this Agreement or required by applicable law, regulation, or court order;
- Take all commercially reasonable steps to (a) protect the confidentiality of PI/SSI received from the State and (b) establish and maintain physical, technical and administrative safeguards to prevent unauthorized access by third parties to PI/SSI received by Contractor from the State;
- Give access to PI/SSI of the State only to those individual employees, officers, agents, and independent contractors who reasonably require access to such information in connection with the performance of Contractor’s obligations under this Agreement;
- Upon request by the State, promptly destroy or return to the State in a format designated by the State all PI/SSI received from the State;
- Cooperate with any attempt by the State to monitor Contractor’s compliance with the foregoing obligations as reasonably requested by the State from time to time. The State shall be responsible for all costs incurred by Contractor for compliance with this provision of this subsection;
- Establish and maintain data security policies and procedures designed to ensure the following:
  - a) Security and confidentiality of PI/SSI;
  - b) Protection against anticipated threats or hazards to the security or integrity of PI/SSI; and
  - c) Protection against the unauthorized access or use of PI/SSI.

### 2.1.1. Disclosure

**Disclosure to Third Parties.** This Agreement shall not be deemed to prohibit disclosures in the following cases:

- Required by applicable law, regulation, court order or subpoena; provided that, if the Contractor or any of its representatives are ordered or requested to disclose any information provided by the State, whether PI/SSI or otherwise, pursuant to court or administrative order, subpoena, summons, or other legal process, Contractor will promptly notify the State (unless prohibited from doing so by law, rule, regulation or court order) in order that the State may have the opportunity to seek a protective order or take other appropriate action. Contractor will also cooperate in the State’s efforts to obtain a protective order or other reasonable assurance that confidential treatment will be accorded the information provided by the State. If, in the absence of a protective order, Contractor is compelled as a matter of law to disclose the information provided by the State, Contractor may disclose to the party compelling disclosure only the part of such information as is required by law to be disclosed (in which case, prior to such disclosure, Contractor will advise and consult with the State and its counsel as to such disclosure and the nature of wording of such disclosure) and Contractor will use commercially reasonable efforts to obtain confidential treatment therefore;
- To State auditors or regulators;
- To service providers and agents of either party as permitted by law, provided that such service providers and agents are subject to binding confidentiality obligations; or
- To the professional advisors of either party, provided that such advisors are obligated to maintain the confidentiality of the information they receive.

## 2.2. Handling the State’s Data

The Contractor must use due diligence to ensure computer and telecommunications systems and services involved in storing, using, or transmitting State Data are secure and to protect that data from unauthorized disclosure, modification, or destruction. "State Data" includes all data and information created by, created for, or related to the activities of the State and any information from, to, or related to all persons that conduct business or personal activities with the State. To accomplish this, the Contractor must adhere to the following principles:

- Apply appropriate risk management techniques to balance the need for security measures against the sensitivity of the State Data.
- Ensure that its internal security policies, plans, and procedures address the basic security elements of confidentiality, integrity, and availability.
- Maintain plans and policies that include methods to protect against security and integrity threats and vulnerabilities, as well as detect and respond to those threats and vulnerabilities.
- Maintain appropriate identification and authentication processes for information systems and services associated with State Data.
- Maintain appropriate access control and authorization policies, plans, and procedures to protect system assets and other information resources associated with State Data.
- Implement and manage security audit logging on information systems, including computers and network devices.

### **2.3. Contractor Access to State Networks Systems and Data**

The Contractor must maintain a robust boundary security capacity that incorporates generally recognized system hardening techniques. This includes determining which ports and services are required to support access to systems that hold State Data, limiting access to only these points, and disable all others.

To do this, the Contractor must:

- Use assets and techniques such as properly configured firewalls, a demilitarized zone for handling public traffic, host-to-host management, Internet protocol specification for source and destination, strong authentication, encryption, packet filtering, activity logging, and implementation of system security fixes and patches as they become available.
- Use two-factor authentication to limit access to systems that contain particularly sensitive State Data, such as personally identifiable data.
- Assume all State Data and information is both confidential and critical for State operations, and the Contractor's security policies, plans, and procedure for the handling, storage, backup, access, and, if appropriate, destruction of that data must be commensurate to this level of sensitivity unless the State instructs the Contractor otherwise in writing.
- Employ appropriate intrusion and attack prevention and detection capabilities. Those capabilities must track unauthorized access and attempts to access the State's Data, as well as attacks on the Contractor's infrastructure associated with the State's data. Further, the Contractor must monitor and appropriately address information from its system tools used to prevent and detect unauthorized access to and attacks on the infrastructure associated with the State's Data.
- Use appropriate measures to ensure that State Data is secure before transferring control of any systems or media on which State Data is stored. The method of securing the State Data must be appropriate to the situation and may include erasure, destruction, or encryption of the State Data before transfer of control. The transfer of any such system or media must be reasonably necessary for the performance of the Contractor's obligations under this Contract.
- Have a business continuity plan in place that the Contractor tests and updates at least annually. The plan must address procedures for response to emergencies and other business interruptions. Part of the plan must address backing up and storing data at a location sufficiently remote from the facilities at which the Contractor maintains the State's Data in case of loss of that data at the primary site. The plan also must address the rapid restoration, relocation, or replacement of resources associated with the State's Data in the case of a disaster or other business interruption. The Contractor's business continuity plan must address short- and

long-term restoration, relocation, or replacement of resources that will ensure the smooth continuation of operations related to the State's Data. Such resources may include, among others, communications, supplies, transportation, space, power and environmental controls, documentation, people, data, software, and hardware. The Contractor also must provide for reviewing, testing, and adjusting the plan on an annual basis.

- Not allow the State's Data to be loaded onto portable computing devices or portable storage components or media unless necessary to perform its obligations under this Contract properly. Even then, the Contractor may permit such only if adequate security measures are in place to ensure the integrity and security of the State Data. Those measures must include a policy on physical security for such devices to minimize the risks of theft and unauthorized access that includes a prohibition against viewing sensitive or confidential data in public or common areas.
- Ensure that portable computing devices must have anti-virus software, personal firewalls, and system password protection. In addition, the State's Data must be encrypted when stored on any portable computing or storage device or media or when transmitted from them across any data network.
- Maintain an accurate inventory of all such devices and the individuals to whom they are assigned.

## **2.4. Portable Devices, Data Transfer and Media**

Any encryption requirement identified in this Supplement means encryption that complies with National Institute of Standards Federal Information Processing Standard 140-2 as demonstrated by a valid FIPS certificate number. Any sensitive State Data transmitted over a network, or taken off site via removable media must be encrypted pursuant to the State's Data encryption standard ITS-SEC-01 Data Encryption and Cryptography.

The Contractor must have reporting requirements for lost or stolen portable computing devices authorized for use with State Data and must report any loss or theft of such to the State in writing as quickly as reasonably possible. The Contractor also must maintain an incident response capability for all security breaches involving State Data whether involving mobile devices or media or not. The Contractor must detail this capability in a written policy that defines procedures for how the Contractor will detect, evaluate, and respond to adverse events that may indicate a breach or attempt to attack or access State Data or the infrastructure associated with State Data.

To the extent the State requires the Contractor to adhere to specific processes or procedures in addition to those set forth above in order for the Contractor to comply with the managed services principles enumerated herein, those processes or procedures are set forth in this agreement.

## **2.5. Limited Use; Survival of Obligations.**

Contractor may use PI/SSI only as necessary for Contractor's performance under or pursuant to rights granted in this Agreement and for no other purpose. Contractor's limited right to use PI/SSI expires upon conclusion, non-renewal or termination of this Agreement for any reason. Contractor's obligations of confidentiality and non-disclosure survive termination or expiration for any reason of this Agreement.

## **2.6. Disposal of PI/SSI.**

Upon expiration of Contractor's limited right to use PI/SSI, Contractor must return all physical embodiments to the State or, with the State's permission; Contractor may destroy PI/SSI. Upon the State's request, Contractor shall provide written certification to the State that Contractor has returned, or destroyed, all such PI/SSI in Contractor's possession.

## **2.7. Remedies**

If Contractor or any of its representatives or agents breaches the covenants set forth in these provisions, irreparable injury may result to the State or third parties entrusting PI/SSI to the State. Therefore, the State's remedies at law may be inadequate and the State shall be entitled to seek an injunction to restrain any

continuing breach. Notwithstanding any limitation on Contractor's liability, the State shall further be entitled to any other rights or remedies that it may have in law or in equity.

## **2.8. Prohibition on Off-Shore and Unapproved Access**

The Contractor shall comply in all respects with U.S. statutes, regulations, and administrative requirements regarding its relationships with non-U.S. governmental and quasi-governmental entities including, but not limited to the export control regulations of the International Traffic in Arms Regulations ("ITAR") and the Export Administration Act ("EAA"); the anti-boycott and embargo regulations and guidelines issued under the EAA, and the regulations of the U.S. Department of the Treasury, Office of Foreign Assets Control, HIPPA Privacy Rules and other conventions as described and required in this Supplement.

The Contractor will provide resources for the work described herein with natural persons who are lawful permanent residents as defined in 8 U.S.C. 1101 (a)(20) or who are protected individuals as defined by 8 U.S.C. 1324b(a)(3). It also means any corporation, business association, partnership, society, trust, or any other entity, organization or group that is incorporated to do business in the U.S. It also includes any governmental (federal, state, local), entity.

The State specifically excludes sending, taking or making available remotely (directly or indirectly), any State information including data, software, code, intellectual property, designs and specifications, system logs, system data, personal or identifying information and related materials out of the United States in any manner, except by mere travel outside of the U.S. by a person whose personal knowledge includes technical data; or transferring registration, control, or ownership to a foreign person, whether in the U.S. or abroad, or disclosing (including oral or visual disclosure) or transferring in the United States any State article to an embassy, any agency or subdivision of a foreign government (e.g., diplomatic missions); or disclosing (including oral or visual disclosure) or transferring data to a foreign person, whether in the U.S. or abroad

It is the responsibility of all individuals working at the State to understand and comply with the policy set forth in this document as it pertains to end-use export controls regarding State restricted information.

Where the Contractor is handling confidential employee or citizen data associated with Human Resources data, the Contractor will comply with data handling privacy requirements associated with HIPAA and as further defined by The United States Department of Health and Human Services Privacy Requirements and outlined in <http://www.hhs.gov/ocr/privacysummary.pdf>

It is the responsibility of all Contractor individuals working at the State to understand and comply with the policy set forth in this document as it pertains to end-use export controls regarding State restricted information.

Where the Contractor is handling confidential or sensitive State, employee, citizen or Ohio Business data associated with State data, the Contractor will comply with data handling privacy requirements associated with the data HIPAA and as further defined by The United States Department of Health and Human Services Privacy Requirements and outlined in <http://www.hhs.gov/ocr/privacysummary.pdf>.

## **2.9. Background Check of Contractor Personnel**

Contractor agrees that (1) it will conduct 3<sup>rd</sup> party criminal background checks on Contractor personnel who will perform Sensitive Services (as defined below), and (2) no Ineligible Personnel will perform Sensitive Services under this Agreement. "Ineligible Personnel" means any person who (a) has been convicted at any time of any criminal offense involving dishonesty, a breach of trust, or money laundering, or who has entered into a pre-trial diversion or similar program in connection with a prosecution for such offense, (b) is named by the Office of Foreign Asset Control (OFAC) as a Specially Designated National, or (b) has been convicted of a felony.

“Sensitive Services” means those services that (i) require access to Customer/Consumer Information, (ii) relate to the State’s computer networks, information systems, databases or secure facilities under circumstances that would permit modifications to such systems, or (iii) involve unsupervised access to secure facilities (“Sensitive Services”).

Upon request, Contractor will provide written evidence that all of Contractor’s personnel providing Sensitive Services have undergone a criminal background check and are eligible to provide Sensitive Services. In the event that Contractor does not comply with the terms of this section, the State may, in its sole and absolute discretion, terminate this Contract immediately without further liability.

### **3. Contractor Responsibilities Related to Reporting of Concerns, Issues and Security/Privacy Issues**

#### **3.1. General**

If over the course of the agreement a security or privacy issue arises, whether detected by the State, a State auditor or the Contractor, that was not existing within an in-scope environment or service prior to the commencement of any Contracted service associated with this agreement, the Contractor must:

- notify the State of the issue or acknowledge receipt of the issue within two (2) hours;
- within forty-eight (48) hours from the initial detection or communication of the issue from the State, present an potential exposure or issue assessment document to the State Account Representative and the State Chief Information Security Officer with a high level assessment as to resolution actions and a plan;
- within four (4) calendar days, and upon direction from the State, implement to the extent commercially reasonable measures to minimize the State’s exposure to security or privacy until such time as the issue is resolved; and
- upon approval from the State implement a permanent repair to the identified issue at the Contractor’s cost; and

#### **3.2. Actual or Attempted Access or Disclosure**

If the Contractor determines that there is any actual, attempted or suspected theft of, accidental disclosure of, loss of, or inability to account for any PI/SSI by Contractor or any of its subcontractors (collectively “Disclosure”) and/or any unauthorized intrusions into Contractor’s or any of its subcontractor’s facilities or secure systems (collectively “Intrusion”), Contractor must immediately:

- Notify the State within two (2) hours of the Contractor becoming aware of the unauthorized Disclosure or Intrusion;
- Investigate and determine if an Intrusion and/or Disclosure has occurred;
- Fully cooperate with the State in estimating the effect of the Disclosure or Intrusion’s effect on the State and fully cooperate to mitigate the consequences of the Disclosure or Intrusion;
- Specify corrective action to be taken; and
- Take corrective action to prevent further Disclosure and/or Intrusion.

#### **3.3. Unapproved Disclosures and Intrusions: Contractor Responsibilities**

Contractor must, as soon as is reasonably practicable, make a report to the State including details of the Disclosure and/or Intrusion and the corrective action Contractor has taken to prevent further Disclosure and/or Intrusion. Contractor must, in the case of a Disclosure cooperate fully with the State to notify the effected persons as to the fact of and the circumstances of the Disclosure of the PI/SSI. Additionally, Contractor must cooperate fully with all government regulatory agencies and/or law enforcement agencies having jurisdiction to investigate a Disclosure and/or any known or suspected criminal activity.

- Where the Contractor identifies a potential issue in maintaining an “as provided” State infrastructure element with the more stringent of an Agency level security policy (which may be federally mandated or otherwise required by law), identifying to Agencies the nature of the issue, and if possible, potential remedies for consideration by the State agency.
- If over the course of delivering services to the State under this Statement of Work for in-scope environments the Contractor becomes aware of an issue, or a potential issue that was not detected by security and privacy teams the Contractor is to notify the State within two (2) hour. This notification shall not minimize the more stringent Service Level Agreements pertaining to security scans and breaches contained herein, which due to the nature of an active breach shall take precedence over this notification. Dependent on the nature of the issue the State may elect to contract with the Contractor under mutually agreeable terms for those specific resolution services at that time or elect to address the issue independent of the Contractor.

### **3.4. Security Breach Reporting and Indemnification Requirements**

- In case of an actual security breach that may have compromised State Data, the Contractor must notify the State in writing of the breach within two (2) hours of the Contractor becoming aware of the breach and fully cooperate with the State to mitigate the consequences of such a breach. This includes any use or disclosure of the State data that is inconsistent with the terms of this Contract and of which the Contractor becomes aware, including but not limited to, any discovery of a use or disclosure that is not consistent with this Contract by an employee, agent, or subcontractor of the Contractor.
- The Contractor must give the State full access to the details of the breach and assist the State in making any notifications to potentially affected people and organizations that the State deems are necessary or appropriate. The Contractor must document all such incidents, including its response to them, and make that documentation available to the State on request.
- In addition to any other liability under this Contract related to the Contractor’s improper disclosure of State data, and regardless of any limitation on liability of any kind in this Contract, the Contractor will be responsible for acquiring one year’s identity theft protection service on behalf of any individual or entity whose personally identifiable information is compromised while it is in the Contractor’s possession. Such identity theft protection must provide coverage from all three major credit reporting agencies and provide immediate notice through phone or email of attempts to access the individuals' credit history through those services.

## **4. Security Review Services**

As part of a regular Security Review process, the Contractor will include the following reporting and services to the State:

### **4.1. Hardware and Software Assets**

The Contractor will support the State in defining and producing specific reports for both hardware and software assets. At a minimum, this must include:

- Deviations to hardware baseline
- Inventory of information types by hardware device
- Software inventory against licenses (State purchased)
- Software versions and then scans of versions against patches distributed and applied

### **4.2. Security Standards by Device and Access Type**

The Contractor will:

- Document security standards by device type and execute regular scans against these standards to produce exception reports

- Document and implement a process for deviation from State standards

### **4.3. Boundary Defenses**

The Contractor will:

- Work with the State to support the denial of communications to/from known malicious IP addresses\*
- Ensure that the OAKS network architecture separates internal systems from DMZ and extranet systems
- Require remote login access to use two-factor authentication
- Support the State's monitoring and management of devices remotely logging into internal network
- Support the State in the configuration firewall session tracking mechanisms for addresses that access OAKS

### **4.4. Audit Log Reviews**

The Contractor will:

- Work with the State to review and validate audit log settings for hardware and software
- Ensure that all OAKS systems and environments have adequate space to store logs
- Work with the State to devise and implement profiles of common events from given systems to both reduce false positives and rapidly identify active access
- Provide requirements to the State to configure operating systems to log access control events
- Design and execute bi-weekly reports to identify anomalies in system logs
- Ensure logs are written to write-only devices for all servers or a dedicated server managed by another group.

### **4.5. Application Software Security**

The Contractor will:

- Perform configuration review of operating system, application and database settings
- Ensure software development personnel receive training in writing secure code

### **4.6. System Administrator Access**

The Contractor will

- Inventory all administrative passwords (application, database and operating system level)
- Implement policies to change default passwords in accordance with State policies, particular following any transfer or termination of personnel (State, existing MSV or Contractor)
- Configure administrative accounts to require regular password changes
- Ensure service level accounts have cryptographically strong passwords
- Store passwords in a hashed or encrypted format
- Ensure administrative accounts are used only for administrative activities
- Implement focused auditing of administrative privileged functions
- Configure systems to log entry and alert when administrative accounts are modified
- Segregate administrator accounts based on defined roles

### **4.7. Account Access Privileges**

The Contractor will:

- Review and disable accounts not associated with a business process

- Create daily report that includes locked out accounts, disabled accounts, etc.
- Implement process for revoking system access
- Automatically log off users after a standard period of inactivity
- Monitor account usage to determine dormant accounts
- Monitor access attempts to deactivated accounts through audit logging
- Profile typical account usage and implement or maintain profiles to ensure that Security profiles are implemented correctly and consistently

#### **4.8. Additional Controls and Responsibilities**

The Contractor will meet with the State no less frequently than annually to:

- Review, Update and Conduct Security training for personnel, based on roles
- Review the adequacy of physical and environmental controls
- Verify the encryption of sensitive data in transit
- Review access control to information based on established roles and access profiles
- Update and review system administration documentation
- Update and review system maintenance policies
- Update and Review system and integrity policies
- Revised and Implement updates to the OAKS security program plan
- Update and Implement Risk Assessment Policies and procedures
- Update and implement incident response procedures

## SUPPLEMENT THREE

BASS is an in-house developed web-based computer system used by the BMV's Deputy Registrars (DR) to issue Driver's License (DL) and State Identification (ID) cards and Vehicle Registrations (VR). The multi-server system interfaces with many other ODPS systems for supporting services, as well as three systems for national driver and SSN information. It was built using Microsoft web-based (.NET) technologies and implemented at the 216 DR's and CSC's in the 3<sup>rd</sup> and 4<sup>th</sup> Quarter of 2005. The main goal of BASS was to provide a system that was user-friendly, while streamlining the DL and ID Cards and VR processes for over 15 million transactions annually. The system interfaces real-time to the DL/ID and VR mainframe systems and also handles all point-of-sale (POS) functionality. BASS provides bank deposit information, updates a central deposit system and includes numerous other services offered by the DRs (e.g. Driver Record Abstracts, Special Plates, Salvage Title Inspection Receipts, CDL Test Receipts, Motor Coach Buss Inspections, Driver Images, Print on Demand VR Stickers and many other POS items).

A major enhancement and expansion in 2008 added functionality that automated the driver exam testing, interfacing the written (computer-based testing kiosks) and the driving road test scores in to the Driver License issuance process for all classes of drivers.

### System Summary:

Platform: VB.NET that utilizes ASP.NET Web forms with the Microsoft .NET 4.0 framework

Main Programming Language: Microsoft Visual Studio.NET 2005

User Interface: Browser/Web and Thin Client

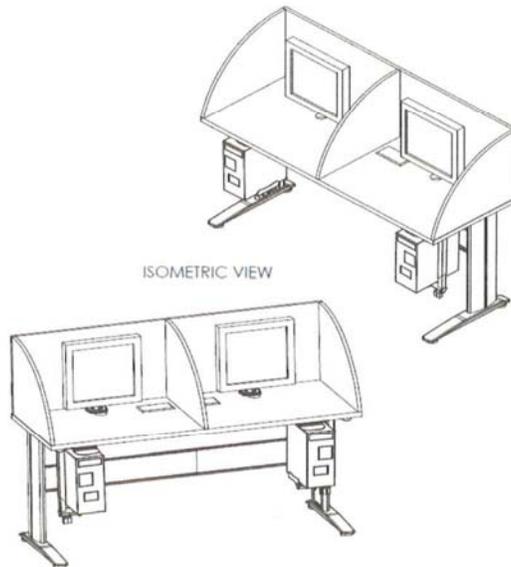
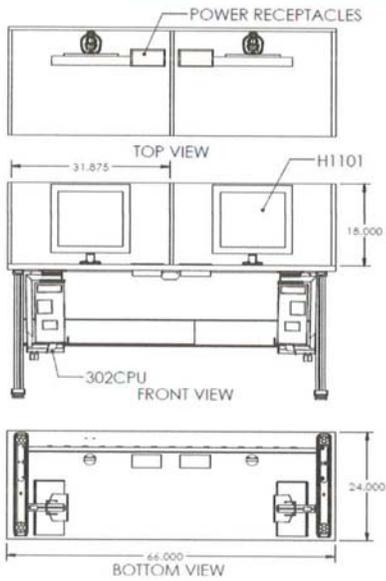
Security: Active Directory

Database SQL Server: 2005 Note: ODPS is currently working on upgrading the database to either 2008R2 or 2012

Registered users: 1500+

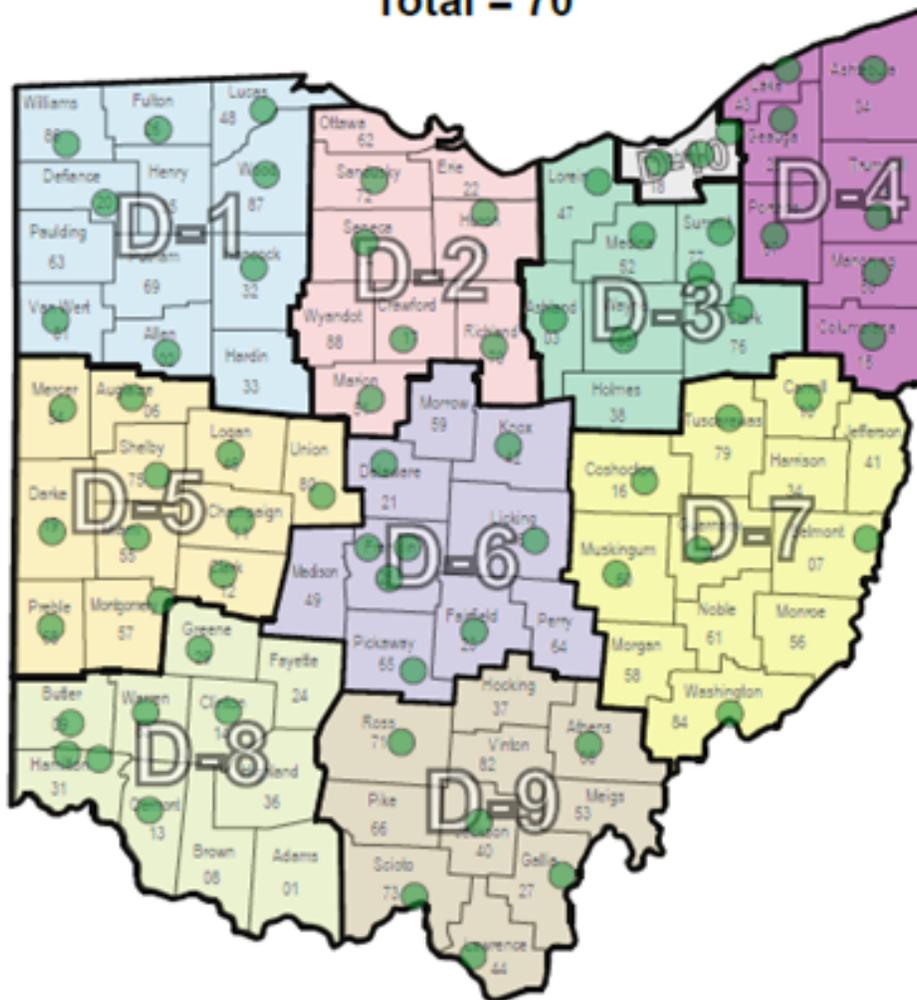
Maintained by State: (ODPS IT)

Information flow: Bidirectional



# BMV Driver License Examination Locations

Total = 70



**DISTRICT 1**

| <b>DX LOCATION</b>  | <b># OF SIMULATORS / COMPUTERS</b> | <b># OF TESTING TABLES</b> | <b>SUPERVISOR CONTACT</b>     |
|---|------------------------------------|----------------------------|-------------------------------|
| <b>Bowling Green</b><br>1616 E Wooster Street<br>Bowling Green, OH<br>43402 | 2                                  | 1                          | Steven Hall<br>(614) 800-6380 |
| <b>Bryan</b><br>13065-A County Rd,<br>D50<br>Bryan, OH 43506                | 1                                  | 1                          | Steven Hall<br>(614) 800-6380 |
| <b>Defiance</b><br>999 Procom Dr., Suite<br>104<br>Defiance, OH 43512       | 1                                  | 1                          | Steven Hall<br>(614) 800-6380 |
| <b>Findlay</b><br>8210 County Rd. 140,<br>Suite C<br>Findlay, OH 45840      | 2                                  | 1                          | Steven Hall<br>(614) 800-6380 |
| <b>Lima</b><br>419 N. Elizabeth St.,<br>Suite C<br>Lima, OH 45801           | 1                                  | 1                          | Steven Hall<br>(614) 800-6380 |
| <b>Toledo</b><br>4460 Heatherdowns<br>Blvd<br>Toledo, OH 43614              | 2                                  | 1                          | Steven Hall<br>(614) 800-6380 |
| <b>Van Wert</b><br>10234 Van Wert<br>Decatur Rd.<br>Van Wert, OH 45891      | 1                                  | 1                          | Steven Hall<br>(614) 800-6380 |
| <b>Wauseon</b><br>152 S. Fulton St.<br>Wauseon, OH 43567                    | 1                                  | 1                          | Steven Hall<br>(614) 800-6380 |
| <b>TOTAL</b>  | <b>11</b>                          | <b>8</b>                   |                               |

## DISTRICT 2

| <b>DX LOCATION</b>  | <b># OF SIMULATORS /<br/>COMPUTERS</b> | <b># OF TESTING<br/>TABLES</b> | <b>SUPERVISOR<br/>CONTACT</b>  |
|---|--|--------------------------------|--------------------------------|
| <b>Bucyrus</b><br>1653 Marion Rd<br>Bucyrus, OH 44820               | 1                                      | 1                              | Erin Gibbons<br>(614) 296-7911 |
| <b>Fremont</b><br>500 W. State St., Suite<br>E<br>Fremont, OH 43420 | 1                                      | 1                              | Erin Gibbons<br>(614) 296-7911 |
| <b>Mansfield</b><br>1157 Park Ave. West<br>Mansfield, OH 44906      | 2                                      | 1                              | Erin Gibbons<br>(614) 296-7911 |
| <b>Marion</b><br>222 W. Center Rt., Rm.<br>1127<br>Marion, OH 43302 | 1                                      | 1                              | Erin Gibbons<br>(614) 296-7911 |
| <b>Norwalk</b><br>142 Cleveland Rd.<br>Norwalk, OH 44857            | 1                                      | 1                              | Erin Gibbons<br>(614) 296-7911 |
| <b>Tiffin</b><br>451 E. Market St.<br>Tiffin, OH 44883              | 1                                      | 1                              | Erin Gibbons<br>(614) 296-7911 |
| <b>TOTAL</b>  | <b>7</b>                               | <b>6</b>                       |                                |

### DISTRICT 3

| <b>DX LOCATION</b>   | <b># OF SIMULATORS /<br/>COPMPUTERS</b> | <b># OF TESTING<br/>TABLES</b> | <b>SUPERVISOR<br/>CONTACT</b>  |
|--|---|--------------------------------|--------------------------------|
| <b>Ashland</b><br>1652 Eagle Way<br>Ashland, OH 44805                                  | 1                                       | 1                              | Andrew Weber<br>(614) 800-6389 |
| <b>Barberton</b><br>21 5 <sup>th</sup> St. SE<br>Barberton, OH 44203                   | 2                                       | 1                              | Andrew Weber<br>(614) 800-6389 |
| <b>Cuyahoga Falls</b><br>650 Graham Rd., Suite<br>100-A<br>Cuyahoga Falls, OH<br>44221 | 2                                       | 1                              | Andrew Weber<br>(614) 800-6389 |
| <b>Elyria</b><br>657 Chestnut<br>Commons Dr.<br>Elyria, OH 44035                       | 2                                       | 1                              | Andrew Weber<br>(614) 800-6389 |
| <b>Medina</b><br>970 N. Court St.<br>Medina, OH 44256                                  | 2                                       | 1                              | Andrew Weber<br>(614) 800-6389 |
| <b>North Canton</b><br>3195 Whitewood St.<br>N.W.<br>North Canton, OH<br>44720         | 2                                       | 1                              | Andrew Weber<br>(614) 800-6389 |
| <b>Wooster</b><br>340 S. Market<br>Wooster, OH 44691                                   | 1                                       | 1                              | Andrew Weber<br>(614) 800-6389 |
| <b>TOTAL</b>   | <b>12</b>                               | <b>7</b>                       |                                |

## DISTRICT 4

| <b>DX LOCATION</b>  | <b># OF SIMULATORS /<br/>COMPUTERS</b> | <b># OF TESTING<br/>TABLES</b> | <b>SUPERVISOR<br/>CONTACT</b>  |
|---|--|--------------------------------|--------------------------------|
| <b>Canfield</b><br>490 S. Broad St.<br>Canfield, OH 44406                                     | 2                                      | 1                              | Andrew Weber<br>(614) 800-6389 |
| <b>Chardon</b><br>Woodiebook Shopping<br>Ctr<br>602 South St., Suite B-6<br>Chardon, OH 44024 | 1                                      | 1                              | Andrew Weber<br>(614) 800-6389 |
| <b>Jefferson</b><br>77 N. Chestnut Street<br>Jefferson, OH 44047                              | 1                                      | 1                              | Andrew Weber<br>(614) 800-6389 |
| <b>Lisbon</b><br>7735 SR 45<br>Lisbon, OH 44432   | 1                                      | 1                              | Andrew Weber<br>(614) 800-6389 |
| <b>Niles</b><br>5555 Youngstown-<br>Warren Rd.<br>Unit 203<br>Niles, OH 44446                 | 2                                      | 1                              | Andrew Weber<br>(614) 800-6389 |
| <b>Painesville</b><br>2736 N. Ridge Rd., Unit<br>6<br>Painesville, OH 44077                   | 1                                      | 1                              | Andrew Weber<br>(614) 800-6389 |
| <b>Ravenna</b><br>444 S. Meridian St.<br>Ravenna , OH 44266                                   | 1                                      | 1                              | Andrew Weber<br>(614) 800-6389 |
| <b>TOTAL</b>  | <b>9</b>                               | <b>8</b>                       |                                |

## DISTRICT 5

| <b>DX LOCATION</b>  | <b># OF SIMULATORS / COMPUTERS</b> | <b># OF TESTING TABLES</b> | <b>SUPERVISOR CONTACT</b>         |
|---|------------------------------------|----------------------------|-----------------------------------|
| <b>Bellefontaine</b><br>1365 C.R. 32 North<br>Bellefontaine, OH 43311       | 1                                  | 1                          | Heather O'Meara<br>(614) 800-6912 |
| <b>Celina</b><br>330 Portland St.<br>Celina, OH 45822                       | 1                                  | 1                          | Heather O'Meara<br>(614) 800-6912 |
| <b>Eaton</b><br>530 Junction Village Mall<br>Eaton, OH 45320                | 1                                  | 1                          | Heather O'Meara<br>(614) 800-6912 |
| <b>Greenville</b><br>641 Wagner Ave., Suite<br>B<br>Greenville, OH 45331    | 1                                  | 1                          | Heather O'Meara<br>(614) 800-6912 |
| <b>Huber Heights</b><br>6134 Chambersburg Rd.<br>Huber Heights, OH<br>45424 | 2                                  | 1                          | Heather O'Meara<br>(614) 800-6912 |
| <b>Marysville</b><br>940 London Ave., Suite<br>1300<br>Marysville, OH 43040 | 1                                  | 1                          | Heather O'Meara<br>(614) 800-6912 |
| <b>Sidney</b><br>1000 Milligan Ct., Suite<br>102<br>Sidney, OH 45365        | 1                                  | 1                          | Heather O'Meara<br>(614) 800-6912 |
| <b>Springfield</b><br>1139 N. Bechtle Ave.<br>Springfield, OH 45504         | 1                                  | 1                          | Heather O'Meara<br>(614) 800-6912 |
| <b>Troy</b><br>1275 Experiment Farm<br>Rd., Ste. F<br>Troy, OH 45373        | 1                                  | 1                          | Heather O'Meara<br>(614) 800-6912 |
| <b>Urbana</b><br>1512 South U.S. 68<br>Urbana OH 43078                      | 1                                  | 1                          | Heather O'Meara<br>(614) 800-6912 |
| <b>Wapakoneta</b><br>15472 Wapakoneta-<br>Fisher Rd<br>Wapakoneta, OH 45895 | 1                                  | 1                          | Heather O'Meara<br>(614) 800-6912 |
| <b>TOTAL</b>  | 12                                 | 11                         |                                   |

## DISTRICT 6

| <b>DX LOCATION</b>   | <b># OF SIMULATORS /<br/>COMPUTERS</b> | <b># OF TESTING<br/>TABLES</b> | <b>SUPERVISOR<br/>CONTACT</b>   |
|--|--|--------------------------------|---------------------------------|
| <b>Circleville</b><br>141 West Main St.<br>P.O. Box 270<br>Circleville, OH 43113 | 1                                      | 1                              | Michael Black<br>(614) 753-2558 |
| <b>Columbus</b><br>1583 Alum Creek Dr.<br>Columbus, OH 43209                     | 1                                      | 1                              | Michael Black<br>(614) 753-2558 |
| <b>Columbus</b><br>990 Morse Rd.<br>Columbus, OH 43229                           | 4                                      | 2                              | Michael Black<br>(614) 753-2558 |
| <b>Delaware</b><br>2079 U.S. 23 North<br>Delaware, OH 43015                      | 4                                      | 2                              | Michael Black<br>(614) 753-2558 |
| <b>Hilliard</b><br>4738 Cemetery Rd.<br>Hilliard, OH 43026                       | 4                                      | 2                              | Michael Black<br>(614) 753-2558 |
| <b>Lancaster</b><br>980 Liberty Dr., Suite<br>200<br>Lancaster, OH<br>43130      | 2                                      | 1                              | Michael Black<br>(614) 753-2558 |
| <b>Mount Vernon</b><br>671 N. Sandusky St.<br>Mount Vernon, OH<br>43050          | 1                                      | 1                              | Michael Black<br>(614) 753-2558 |
| <b>Newark</b><br>873 E. Main St.<br>Newark, OH 43055                             | 4                                      | 2                              | Michael Black<br>(614) 753-2558 |
| <b>TOTAL</b>   | <b>21</b>                              | <b>12</b>                      |                                 |

## DISTRICT 7

| <b>DX LOCATION</b>  | <b># OF SIMULATORS / COMPUTERS</b> | <b># OF TESTING TABLES</b> | <b>SUPERVISOR CONTACT</b>        |
|---|------------------------------------|----------------------------|----------------------------------|
| <b>Bridgeport</b><br>320 Hall St.<br>Bridgeport, OH 43912                                     | 2                                  | 1                          | Jeffery Harper<br>(614) 753-2686 |
| <b>Cambridge</b><br>224 Dewey Ave.<br>Cambridge, OH 43725                                     | 2                                  | 1                          | Jeffery Harper<br>(614) 753-2686 |
| <b>Carrollton</b><br>155 W. Main St.<br>Carrollton, OH 44615                                  | 1                                  | 1                          | Jeffery Harper<br>(614) 753-2686 |
| <b>Coshocton</b><br>706 S. 7 <sup>th</sup> St.<br>Coshocton, OH 43812                         | 1                                  | 1                          | Jeffery Harper<br>(614) 753-2686 |
| <b>Marietta</b><br>142 Gross St., Suite A<br>Marietta, OH 45750                               | 2                                  | 1                          | Jeffery Harper<br>(614) 753-2686 |
| <b>New Philadelphia</b><br>1260 Monroe St. N.W.,<br>Suite 9E<br>New Philadelphia, OH<br>44663 | 2                                  | 1                          | Jeffery Harper<br>(614) 753-2686 |
| <b>Zanesville</b><br>2324 June Parkway<br>Plaza<br>Zanesville, OH 43701                       | 2                                  | 1                          | Jeffery Harper<br>(614) 753-2686 |
| <b>TOTAL</b>  | <b>12</b>                          | <b>7</b>                   |                                  |

## DISTRICT 8

| <b>DX LOCATION</b>  | <b># OF SIMULATORS / COMPUTERS</b> | <b># OF TESTING TABLES</b> | <b>SUPERVISOR CONTACT</b>  |
|---|------------------------------------|----------------------------|----------------------------|
| <b>Batavia</b><br>457 W. Main St.<br>Batavia, OH 45103  | 2                                  | 1                          | Kip King<br>(614) 753-2680 |
| <b>Hamilton</b><br>Hamilton Crossing<br>Shopping Ctr.<br>1720-B S. Erie Blvd.<br>Hamilton, OH 45011 | 2                                  | 1                          | Kip King<br>(614) 753-2680 |
| <b>Lebanon</b><br>19 Dave Ave., Unit C<br>Lebanon, OH 45036   | 2                                  | 1                          | Kip King<br>(614) 753-2680 |
| <b>Seven Hills</b><br>10940 Hamilton Ave<br>Cincinnati, OH 45231                                    | 4                                  | 2                          | Kip King<br>(614) 753-2680 |
| <b>Sharonville</b><br>11177 Reading Rd.,<br>Ste. 201-202<br>Cincinnati, OH 45241                    | 2                                  | 1                          | Kip King<br>(614) 753-2680 |
| <b>Wilmington</b><br>950 Rombach Ave.<br>Wilmington, OH 45177                                       | 1                                  | 1                          | Kip King<br>(614) 753-2680 |
| <b>Xenia</b><br>601 Ledbetter Rd., Suite<br>C<br>Xenia, OH 45385                                    | 1                                  | 1                          | Kip King<br>(614) 753-2680 |
| <b>TOTAL</b>  | <b>14</b>                          | <b>8</b>                   |                            |

## DITSTICT 9

| DX LOCATION   | # OF SIMULATORS / COMPUTERS | # OF TESTING TABLES | SUPERVISOR CONTACT                 |
|---|-----------------------------|---------------------|------------------------------------|
| <b>Athens</b><br>1002 East State St.,<br>Suite 20<br>Athens, OH 45701       | 2                           | 1                   | Catherine Conley<br>(614) 753-2995 |
| <b>Chillicothe</b><br>475 Western Ave., Suite<br>L<br>Chillicothe, OH 45601 | 1                           | 1                   | Catherine Conley<br>(614) 753-2995 |
| <b>Gallipolis</b><br>499 Jackson Pike, Suite<br>A<br>Gallipolis, OH 45631   | 1                           | 1                   | Catherine Conley<br>(614) 753-2995 |
| <b>Ironton</b><br>2717 S. 3 <sup>rd</sup> St., Suite B<br>Ironton, OH 45638 | 1                           | 1                   | Catherine Conley<br>(614) 753-2995 |
| <b>Jackson</b><br>502 McCarty Ln., Suite<br>3<br>Jackson, OH 45640          | 2                           | 1                   | Catherine Conley<br>(614) 753-2995 |
| <b>New Boston</b><br>3980 Rhodes Ave.<br>New Boston, OH 45662               | 2                           | 1                   | Catherine Conley<br>(614) 753-2995 |
| <b>TOTAL</b>  | <b>9</b>                    | <b>6</b>            |                                    |

## DISTRICT 10

| DX LOCATION   | # OF SIMULATORS / COMPUTERS | # OF TESTING TABLES | SUPERVISOR CONTACT                 |
|---|-----------------------------|---------------------|------------------------------------|
| <b>Garfield Heights</b><br>14000 Broadway Ave.<br>Garfield Heights, OH<br>44125 | 2                           | 1                   | Angela McCracken<br>(614) 753-3192 |
| <b>Mayfield Heights</b><br>6420 Mayfield Rd.<br>Mayfield Heights, OH<br>44124   | 2                           | 1                   | Angela McCracken<br>(614) 753-3192 |
| <b>Parma</b><br>12000 Snow Rd.<br>Parma, OH 44130                               | 2                           | 2                   | Angela McCracken<br>(614) 753-3192 |
| <b>TOTAL</b>  | <b>6</b>                    | <b>4</b>            |                                    |



## SUPPLEMENT FOUR FACILITY ACCESS REQUEST (NON STATE EMPLOYEE)

*A record check will be performed on all contractors requesting facility access to Ohio Department of Public Safety (ODPS) facilities / Ohio Department of Transportation (ODOT) cafeteria. The check will be limited to only those addresses provided as well as to BMV records. A complete Computerized Criminal History (CCH) check of LEADS databases will only be performed for contractors who are requesting access to ODPS facilities.*

**INFORMATION ON INDIVIDUAL REQUIRING FACILITY ACCESS (to be completed by individual requiring facility access)**

|  |                               |   |                              |                       |
|--|-------------------------------|---|------------------------------|-----------------------|
| LAST NAME  | FIRST NAME                    | MIDDLE INITIAL                              | ALIASES AND / OR MAIDEN NAME |                       |
| DATE OF BIRTH<br>/ /   | SOCIAL SECURITY NUMBER<br>- - | DRIVER LICENSE NUMBER / STATE ID / PASSPORT |                              | PHONE NUMBER<br>( ) - |
| PRESENT HOME ADDRESS   |                               | CITY  | STATE                        | ZIP CODE              |
| List any felony or misdemeanor convictions in the past 10 years and date of conviction.  |                               |   |                              |                       |
| List the previous addresses you have lived at in the past 10 years.  |                               |   |                              |                       |
| I _____, certify that all of the answers and statements on this form are complete, true, and correct to the best of my knowledge and are made in good faith. I further understand that falsifying information on this form, or tampering with a record, may constitute a criminal offense. |                               |   |                              |                       |
| SIGNATURE<br><b>X</b>  |                               |   |                              |                       |

**COMPANY INFORMATION FOR INDIVIDUAL REQUIRING FACILITY ACCESS**

|                 |                       |           |          |
|-----------------|-----------------------|-----------|----------|
| NAME OF COMPANY |                       |           |          |
| CONTACT NAME    | PHONE NUMBER<br>( ) - | EXTENSION |          |
| COMPANY ADDRESS | CITY                  | STATE     | ZIP CODE |

**ODPS / ODOT EMPLOYEE RESPONSIBLE FOR INDIVIDUAL REQUIRING FACILITY ACCESS**

|   |   |                         |       |
|---|---|-------------------------|-------|
| NAME  | PHONE NUMBER<br>( ) -                     | EXTENSION               |       |
| AGENCY (ODPS / ODOT)  | DIVISION                                  | SECTION / OFFICE / UNIT |       |
| REQUEST ACCESS BE GRANTED TO (building / location) (CHECK ALL THAT APPLY) |   |                         |       |
| SHIPLEY BLDG  | CENTRE SCHOOL                             | ODOT                    | OTHER |
| LEADS SECURED AREAS   | CRIMINAL JUSTICE INFORMATION              |                         |       |
| TYPE OF ACCESS  | PICTURE ID ACCESS CARD WITH ACCESS RIGHTS | START DATE: / /         |       |
|   | SIGN IN / SIGN OUT (VISITOR'S BADGE)      | END DATE: / /           |       |

**RETURN BACKGROUND APPROVAL / DISAPPROVAL NOTIFICATION TO (to be completed by DPS / ODOT personnel only)**

|      |             |
|------|-------------|
| NAME | DATE<br>/ / |
|------|-------------|