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SEALED BID
INFORMATION TECHNOLOGY REQUEST FOR PROPOSAL
FOR
eProcurement Solution and Implementation Services

Expected RFP Schedule Summary:

ISSUE DATE	September 20, 2017
QUESTIONS DUE	October 16, 2017 at 4:00 PM
RFP RESPONSES DUE BY	November 28, 2017 at 2:00 PM
FINALIST DEMONSTRATIONS	<i>Anticipate month of January 2018</i>
PROJECT STARTS	April 2018

PLEASE BE ADVISED THAT ALL NOTIFICATIONS, RELEASES, AND AMENDMENTS ASSOCIATED WITH THIS RFP WILL BE POSTED AT: <http://bgs.vermont.gov/content/it-rfp-eprocurement-solution-and-implementation-services>

THE STATE WILL MAKE NO ATTEMPT TO CONTACT INTERESTED PARTIES WITH UPDATED INFORMATION. IT IS THE RESPONSIBILITY OF EACH BIDDER TO PERIODICALLY CHECK THE ABOVE WEBPAGE FOR ANY AND ALL NOTIFICATIONS, RELEASES AND AMENDMENTS ASSOCIATED WITH THIS RFP.

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1. RFP OVERVIEW

The Office of Purchasing & Contracting (OPC) on behalf of the State of Vermont, its departments, offices, institutions, and other agencies of the State of Vermont and counties, schools, institutions of higher education and municipalities, is soliciting competitive sealed, fixed price proposals (Proposals) from qualified firms/bidders to provide and implement a web-based software solution for Electronic Procurement (eProcurement) to increase efficiencies in the statewide procurement process, in accordance with the terms of this Request for Proposals (“RFP”).

The State of Vermont is seeking an eProcurement Software Solution (“Solution”) that will drive greater process efficiencies throughout the State’s procurement, contracting, and purchasing process by:

- Eliminating redundant software applications in use;
- Integrating and interfacing with the current State financial management system (VISION), related websites and other systems/applications (e.g. VTRANS’ STARS financial management system);
- Reducing manual, paper-based processes and process cycle times;
- Improve Agency and Department/Vendor interactions with use of the Solution.

The eProcurement Solution shall be a hosted Software-as-a-Service (SaaS) license model that is generally available and currently implemented and utilized by multiple governmental entities. Any solution modifications or additions necessary to enable the Solution to operate according to all technical and functional requirements herein must be approved by the State and must become part of the base product and not require additional fees/costs with future releases or upgrades of the Solution. The State anticipates the Solution to be completed in a timely fashion and in accordance with best practices in implementation, data migration, project management, change management, training, and support. The State also expects that the deployment of the Solution will deliver value early in the implementation.

Additionally, the State intends to provide access and use of the eProcurement Solution to political subdivisions of the State of Vermont under 29 V.S.A. § 902(a) <http://legislature.vermont.gov/statutes/section/29/049/00902>, any institution of higher education chartered in Vermont and accredited or holding a certificate of approval from the State Board of Education, and any other entity authorized to use state contracts. Their participation will be voluntary, but will be strongly encouraged by the State to assist in capturing improved spend data and other pertinent analytics to use for future statewide procurements. The State envisions the ability for the selected Bidder to coordinate independently with political subdivision, institutions of higher education, or other entities looking for additional services such as integration into their financial systems and/or additional functionality.

This Request for Proposals (RFP) provides details on what is required to submit a Proposal in response to this RFP, how Proposals will be evaluated, and what will be required of the selected Bidder in performing the Scope of Work. The initial contract period will begin approximately October 1, 2017 for five (5) years. The contract may be renewed for up to five (5) additional 12-month periods based on Vendor performance and the availability of funds.

2. RFP OBJECTIVE & BUSINESS OUTCOMES

The desired eProcurement solution must be innovative, fully integrated, and well-coordinated to empower the State of Vermont to achieve the following objectives and business outcomes that are organized around four Business Values:

1. **Cost Savings:** Over the lifecycle of the new Solution, it will:

- i. Streamline and standardize current manual, paper-based procurement, contracting, and purchasing processes and practices to shorten/compress cycle times.
- ii. Increase use of Statewide contracts to gain greater economies of scale, including accessibility to other eligible entities, authorities, municipalities, and K-12 Schools.
- iii. Provide visibility into all State spend to enable Spend Analytics, Strategic Sourcing and more effective Contracting. Thereby transforming procurement from tactical activities to a strategic focus.
- iv. Increase Vendor participation and competitiveness that drive finding the best possible product at the best value-point.
- v. Track and evaluate Vendor performance and aggregate State demand to negotiate and drive down contract pricing.
- vi. Lower barriers to compete.

2. **Customer Service Improvement:** The new Solution will provide a new or improved Customer Service or services.

- i. Provide a single place to perform, manage, track, and report on all procurement activities
- ii. Establish consistent standards across all State organizations that are adaptable to unique Agency/Department needs.
- iii. Make it easier to buy regardless of the process or method of procurement.
- iv. Make approvals of procurement transactions faster and easier by leveraging online technologies.
- v. Provide more effective means to collaborate on procurements with in and across Agencies, Departments and the State as a whole.
- vi. Improve and expand Vendor participation through simple self-service access.
- vii. Provide real-time integration capabilities with VISION that acknowledges and facilitates the interrelationships and requirements of both finance and procurement.
- viii. Increase transparency of State procurements through public access and visibility into State purchases (what was bought, by who, at what price, etc.).

3. **Risk Reduction:** The new Solution will reduce risk to the State (e.g., replace outdated technology that is unstable and/or difficult to support, improve security of State data, etc.)

- i. Establish consistency in procurement practices, methods, and outcomes through use of standards, templates, and a common set of automated tools.

- ii. Eliminate redundant and obsolete systems.
- iii. Reduce the number of duplicative sources for procurement rules, policies, information, and documents.
- iv. Reduce the re-entry of information across organizations, systems, and processes to minimize errors, re-work, and duplication of effort.
- v. Increase security and control of State procurement data and documents by reducing physical and electronic storage locations.

4. Compliance: The new Solution meets previously unmet State or Federal compliance requirements due to limited insight and reporting capabilities.

- i. Establish controls and visibility into maverick spend to drive broader and appropriate use of State contracts.
- ii. Improve control over spending under management, including the ability to track and report contract price compliance and invoicing errors.
- iii. Facilitate the selection of the best and most appropriate pricing through comparisons across State contracts.
- iv. Facilitate achieving State Vendor Diversity goals and objectives through broader participation of these types of Vendors in all forms of purchasing.
- v. Ensure that all procurement actions enhance fair, open, and transparent competition.
- vi. Improve accountability and auditability of all procurement actions.

5. Performance Measures: In accordance with current State of Vermont policy and procedures, improving the State's ability to measure program success by performance measures or "Key Performance Indicators" (KPIs) is highly desired therefore the State requires proposals to include measurement recommendations. The measurements must be reportable, strategic, actionable, relevant, and in line with statutory requirements and Statewide strategy and goals. Proposal may also include alternative business processes to achieve business outcomes stated herein.

3. SOLUTION VISION AND KEY FEATURES

The eProcurement Solution must not only support the State of Vermont in achieving the objectives and business outcomes presented above but also must exhibit specific features that provide the following high-level functions to the State:

- Support the State's effort to provide one system and a unified set of processes for all procurements – whether initiated by State Agencies and Departments, political subdivisions, institutions of higher education, and other entities authorized to use State contracts.
- Configurable rules engine to guide users to the appropriate procurement processes with "built-in" compliance and controls.

- Integrate with the State of Vermont's financial management system (VISION) for, at a minimum, but are not limited to approvals, funds availability checking, encumbrance transactions, payment requests, automated billing collection, updates to Vendor master records, and other entity transactions.
- Strategic sourcing of Vendor's including online solicitation posting (RFI, RFC, RFQ, RFP, etc.) See Glossary for applicable definitions., online bid forum including Q & A, competitive automated bidding, online bid evaluation, electronic award notification, and contract generation.
- A full integration of workflow management with the ability to customize and configure workflows based on business rules or related tools of the end-to-end procurement processes including but not limited to actions such as: approval process, number of approvers and approval tiers, contract price compliance, etc.
- Centralized repository of any and all procurement, contracting and purchasing related documents including check in/out and versioning capabilities.
- Public internet access and search capability of solicitation and contract documents (e.g. Freedom of Information Act (FOIA), etc.).
- An online catalog shopping environment to purchase contract and non-contract goods and services from Vendor hosted catalogs, punch-outs, or consumer shopping services (e.g. Amazon, Google, etc.) that is managed by the Contractor.
- Vendor on-boarding and compliance, Vendor collaboration including Vendor Registration, Business Directory, Vendor Self Service, automated Vendor Certification processes and integration, and Vendor Catalog enablement.
- Security and redaction capabilities to safeguard private and proprietary information in public document(s).
- Capture comprehensive procurement data that will provide visibility into spend data and analytics for all goods and services purchased across State Agencies and Departments, Political Subdivisions, Institutions of Higher Education, and other entities authorized to use State contracts. This data can be used to analyze and develop enterprise sourcing strategies.
- Automation of Requisition to Purchase Order (PO) creation and development.
- Receiving functionality to enter or upload receipt information against related PO including matching capabilities with automatic notifications to user to reconcile differences when applicable.
- Vendor electronic invoice (eInvoice) generation or transmission to the applicable PO.
- Invoice approval functionality that provide the State the option to either have the Invoice integrated to VISION for payment processing or allow an authorized user to perform the 3-way match (invoice, PO, receipt) to integrate an approved voucher to VISION.
- Reporting and dashboards to support a potentially broad range of areas including but not limited to: Demand Aggregation capabilities, Spend Analytics, daily operations and managerial oversight, audit awareness, basic administrative reports, expiration of contracts, etc.

Detailed requirements related to these key features and other functionality elements are provided in the Functional Requirements, Section 6.1 of this RFP.

4. CURRENT BUSINESS ENVIRONMENT

Vermont is currently comprised primarily of a paper-based environment with a handful of standalone solutions/systems for managing Agency and Department contracts and purchases which do not interact with each other. As such, the States' ability to leverage total spend on any requirements/contracts is severely diminished. Consequently, any need to compile Statewide purchase requirements is a very protracted and time-consuming effort which has an inordinate margin of error inherent to pulling data streams together from disparate manual processes and solutions/systems.

4.1 AGENCY OF ADMINISTRATION

- The Agency of Administration (AOA), which is within the Office of the Secretary of Administration, provides administrative and supportive services to all Vermont State government Agencies and Departments, as well as Vermont taxpayers and citizens.
- With primary responsibilities related to human resources, revenues, accounting and budget management, physical plant and IT infrastructure, and contracting and general services, the AOA promotes the effective and efficient coordination of State programs and services by responding to changing administrative, policy and fiscal environments, while ensuring transparency and accountability of and value for public tax dollars.

4.2 PROCUREMENT PRACTICES

Procurement practices in Vermont are governed under the authority of the Secretary of Administration. In accordance with this authority, the following documents establish the general policy and minimum standards for soliciting, awarding, processing, executing/overseeing contracts, and managing contract compliance:

- Administrative Bulletin 3.5
(http://aoa.vermont.gov/sites/aoa/files/Bulletins/3point5/Bulletin_3.5_July.1.2016_FINAL_Rev1.pdf)
- Information Technology Procurement Guideline
(<http://bgs.vermont.gov/sites/bgs/files/files/purchasing-contracting/contracts/Technology%20Handbook%20-%20REVISION%20FINAL%20-%202004-12-17%20-%20CLEAN.pdf>)

The Office of Purchasing and Contracting (OPC), within AOA is responsible for making all purchases of goods/products, including fuel, supplies, materials and equipment for all State Agencies and Departments. Further, OPC is responsible for administering solicitation, procurement and contracting, as set forth in Administrative Bulletin 3.5. As such, OPC has centralized authority for commodity purchases (technology and non-technology), bid administration of technology projects, oversight of some Statewide services (technology and non-technology), vertical construction procurements for the Department of Buildings and General Services (BGS), and procurements by specific State Agencies and Departments over a certain threshold. Professional Services are decentralized at an Agency and Department level. The Agency of Digital Services is responsible for providing direction and oversight for all activities directly related to

information technology and information security, including telecommunications services, information technology equipment, software, accessibility, and networks in State government. VTRANS has authority for bridge and highway construction. OPC, also carries out the procurement responsibilities as assigned to the Commissioner of the Department of Buildings and General Services (BGS).

Vermont currently has a decentralized approach to service contracts. Each State Agency or Department is responsible for the procurement process to secure all services contracts and must follow Administrative Bulletin 3.5 and any other applicable laws, rules, and regulations to determine a course of action that ensures compliance with these applicable laws, rules, etc.

Relevant Legislative and Administrative compliance for contract awards:

- Services: No specific statute exists. Awards are issued in the best interest of the State.
- Commodities: Awards issued in accordance with Title 29, Chapter 49 § 903; <http://legislature.vermont.gov/statutes/section/29/049/00903> .
- Vertical Construction: Awards issued in accordance with Title 29, Chapter 5 § 161; <http://legislature.vermont.gov/statutes/section/29/005/00161> .
- All bid solicitations and resulting awards are issued in accordance with Administrative Bulletin 3.5, statute and executive orders.

4.3 PROCUREMENT METRICS

State Agencies/Departments: The State is comprised of 8 Agencies and approximately 60 standalone Departments.

Potential Spend: The State's annual budget is \$5.8 billion and is revisited annually.

Potential State Users: There are approximately 8,000 employees who are geographically located throughout the State with a large concentration in Montpelier, VT. While the State intends to rollout the eProcurement Solution to a broad user base across all State employees, the initial focus will be on those that are active users of the State financial management system (VISION, a PeopleSoft application). Currently there are approximately 7,900 active users of VISION of which an estimated 450 may comprise the initial set of users of the eProcurement Solution to perform their daily job functions and/or interact in some capacity with the Procurement and/or Contracting process.

Non-State Entities: The State intends to provide access and use of the eProcurement Solution to Political Subdivisions, Higher Education Institutions and all other entities authorized to use State contracts. In this RFP document, this group of organizations will be referred to as "Non-State Entities". The potential number of users is unknown at this time. The State will determine when it is appropriate to engage Non-State Entities for rollout consideration to these organizations so it will not impact implementation of the Solution for the State.

The State will coordinate, and must approve, any requests for additional Solution functionality from these organizations. These organizations may have interest in establishing interfaces or integrations with their own systems (e.g. Financial system) in which case they would work directly with the Solution Provider to determine scope and quote for the work and, if agreeable, enter into a separate agreement with the Solution Provider.

Purchasing Card (PCARD) use: Vermont utilizes a centrally administered Purchasing Card (PCARD) program. During the 12-month period ending December 31, 2016, 941 State cardholders made 35,052 transactions for a total PCARD spend volume of approximately \$8 million. Of the \$8 million,

approximately \$1.6 million is related to travel. PCARDS will be used within the eProcurement Solution where feasible as a Vendor payment mechanism for individual purchases.

Transaction Metrics: The following metrics are provided to demonstrate recent procurement activities and should not be used to establish limits to the number of transactions that the eProcurement Solution will be capable of processing.

- The State has approximately 3,159 active contracts
- 765 Sourcing events that were publicly posted in FY17
- 115 Sourcing events were publicly posted by municipalities, cities and towns in FY17 at their discretion, but not required
- 127 one-time bids and buy POs issued in FY17
- 49,777 POs issued within VISION in FY17
- 399,494 invoice vouchers processed in FY17 (regular and adjustment, not: journal voucher, template or single payment Vendor)
- 39,661 number of currently approved Vendors in VISION

5. CURRENT TECHNICAL ENVIRONMENT

Vermont currently utilizes the State financial management system, VISION, to capture requisitions, Purchase Orders, Requests for Quote (RFQ) and contracts to manage budget and process Vendor payments. Purchase Orders generated by the system are dispatched by mail to Vendors for processing. The system does not provide functionality for sourcing, solicitation management, contract administration or spend analysis. These activities are conducted primarily without the use of any enabling technology.

5.1 VISION

The State financial management system (VISION) is currently based on Oracle PeopleSoft Financials version 8.8. The State awarded a contract in late June 2017 to upgrade to PeopleSoft version 9.2. The upgrade timeline has a Go-Live date of December 2018 and the scope includes:

- General Ledger (including Commitment Control)
- Accounts Payable
- Purchasing
- Asset Management
- Inventory
- Billing
- Accounts Receivable
- Travel & Expenses
- Grants Tracking (VT customized, bolt-on)
- Upgrade the Disaster Recovery site

5.2 OTHER PURCHASING RELATED SYSTEMS

In addition, there are a variety of homegrown and/or specific applications that are used throughout Agencies and Departments for their procurement and/or contracting needs. These, at a minimum, may include the following:

Software Systems/Websites			
System/Website Name	Website Address	Internal or External	Function
AASHTOWare at VTRANS		External	<p>A software platform used by the Vermont Agency of Transportation (VTRANS) to create, post, distribute, analyze, award and track construction projects.</p> <p>See Section 6.2.10 for disposition of this system with the eProcurement Solution.</p>
Agency Specific HTML Websites		External Read-Only	Websites managed and maintained by Agencies to post and provide public access to Solicitations specific to that Agency.
BGS Vertical Construction Bid Posting Site	http://www.blueprintsetc.com	External, Read-Only	<p>Public access website for posting of vertical construction projects issued by BGS. FY2017 metrics:</p> <ul style="list-style-type: none"> • BGS released 75 projects (35 Public and 40 Private) • 250 downloaded documents • 362 printed document sets released • Private used for projects in Statehouse, Correctional Facilities and Court Houses • Public used otherwise including “simplified bids” under \$100,000 <p>See Section 6.2.10 for disposition of this system with the eProcurement Solution.</p>
Bidx	https://www.bidx.com/vt/main		<p>Used to register vendors for federal highways.</p> <p>See Section 6.2.10 for disposition of this system with the</p>

Software Systems/Websites			
System/Website Name	Website Address	Internal or External	Function
			eProcurement Solution.
Contracting Tracking System (CTS)		Internal VTRANS BGS	<p>A Microsoft Access application utilized by VTRANS and the Office of Purchasing and Contracting to manually track the contract approval process.</p> <p>See Section 6.2.10 for disposition of this system with the eProcurement Solution.</p>
MATS			A multi-state platform used by the Vermont Agency of Transportation (VTRANS) for project tracking, employee time entry, maintenance, inventory and contractor payment creation. Tracks material stockpiles and Maintenance Rental Agreements.
OPC	http://bgs.vermont.gov/purchasing	External, Read-Only	Purchasing informational website, Solicitation Viewing.
OPC	http://www.bgs.state.vt.us/pca/bids/bids.php	Internal, External	Current Solicitation postings issued by OPC.
Policies and Procedures	http://finance.vermont.gov/policies-and-procedures	Internal, External	Policies and procedures to ensure financial operations are conducted uniformly and in accordance with established laws, executive orders, administrative bulletins, regulations, and standards.
SharePoint and FTP			Utilized by multiple agencies to manage sourcing and procurement process
Silanis eSign	https://www.esignlive.com/	Internal, External	<p>A 3rd party e-sign platform utilized by a few agencies and departments in various capacities to capture electronic signatures.</p> <p>See Section 6.2.10 for disposition of this system with eProcurement Solution.</p>
STARS			A packaged application called STARS (State Transportation Accounting and Reporting Systems) as their primary system of record for their financial and procurement functions

Software Systems/Websites			
System/Website Name	Website Address	Internal or External	Function
Transparency Portal	http://spotlight.vermont.gov/	External, Read-Only	State of Vermont's financial transparency website.
Vendors and Grantees	http://finance.vermont.gov/Vendors-and-grantees	Limited External - Interactive	Portal for Grant Vendors and Grantees.
Vermont Bid System (EBB)	http://www.vermontbidsystem.com/	Internal, External	Public Notice of Solicitation to VT Vendors or RFP posting to satisfy public notice of standard bid. See Section 6.2.10 for disposition of this system with the eProcurement Solution.

5.3 REUSABLE/SHARE-ABLE ASSETS

The following are existing State Enterprise applications and components that can be considered by Bidders for integration into the eProcurement Solution. When considering State applications and components for reuse within the proposed solution, costs for integration and licenses need to be accounted for in the price proposal.

Classification	Component / Systems	State Asset	Currently Integrated with ERP / Procurement
Collaboration & Communications	email	Microsoft Office 365	no
	telephony	VoIP / FoIP / Cisco	no
	messaging	Microsoft Skype for Business within Office 365	no
	mobile	Microsoft Intune	no
Enterprise Content Management	Collaboration and Sharing	Microsoft SharePoint Online	no
	Capture	Hyland On Base, Oracle's Web Center Capture	no
	Recognition and index	Hyland On Base, Oracle's Web Center Commit	no
	Commit	Hyland On Base, Oracle's Web Center Commit	no
Identity & Access Management	Directory Services	Azure AD Premium / Azure AD Sync	no
	Identity Management	Azure AD Premium / Azure AD Sync	no

	Access Management	Azure AD Premium / AD Sync	no
Business Intelligence and Analytics	OLAP	Peoplesoft 9.2	no
Virtualization	Virtual	VMware	yes
Business Process Management	Orchestration, Business Rules, Workflow, process modeling	Appian, Oracle BPM Suite	no

6. SCOPE OF WORK

The State of Vermont is interested in obtaining proposals to provide a managed Software-as-a-Service (SaaS) eProcurement solution that supports and complies with all State statutes, regulations, policies and guidelines relevant to procurement including soliciting, awarding, processing, executing and overseeing contracts, including contract compliance. Specifically, the Solution shall, at a minimum, fully comply with 3 V.S.A. § 2222(a)(2) (<http://legislature.vermont.gov/statutes/section/03/045/02222>) and Administrative Bulletin 3.5.

The implementation of the Solution is expected to be a predominantly "center-led" strategy for procurement that balances Enterprise procurement needs with the decentralized procurement needs of individual Agencies and Departments while also providing centralized oversight/control when appropriate. The State also requires that implementation planning and decisions take into consideration that the State intends to allow use of the Solution by Non-State Entities in a manner that establishes segregation of data, transactions and processes from the State and each other as well.

The Scope of Work requirements are organized into the following sections:

- **Functional Requirements** that address business needs
- **Non-Functional Requirements** that address technical needs, standards, and interfaces/integrations
- **Solution Implementation Requirements** that address the management, staff, services, support, and deliverables required for initial implementation and on-going maintenance/support

As identified in the Sections below, Exhibit E are Requirement Traceability Matrix (RTM) documents that identify additional detailed requirements that must be addressed by Bidders in their proposal.

As discussed in the Bidders Response section later in this document, Bidders are required to provide proposal/response details in the Bidders Response Form, Exhibit E and in the corresponding RTM documents as noted in the Requirements sections below.

6.1 FUNCTIONAL REQUIREMENTS

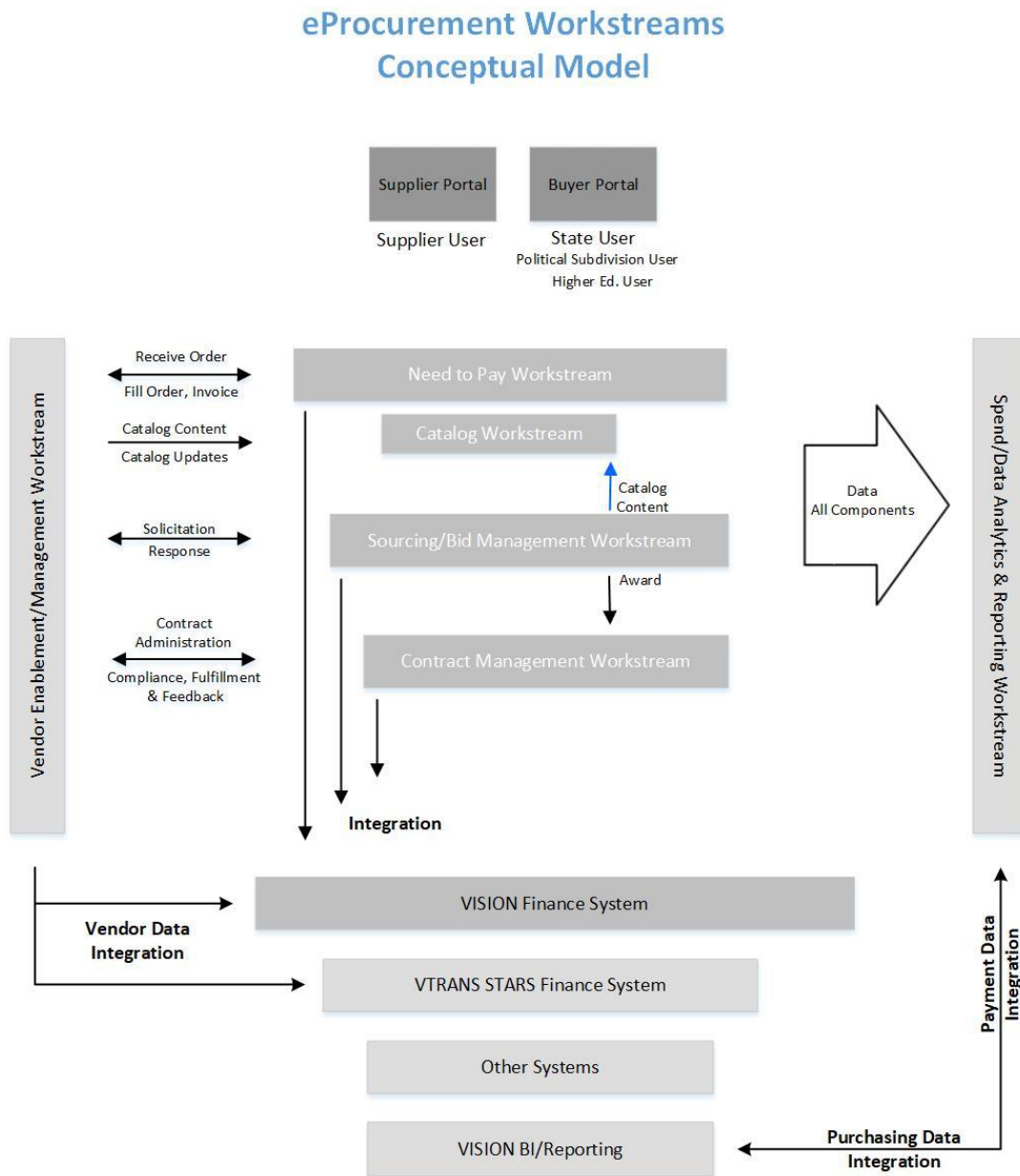
The functionality the State envisions in a Solution would comprise full purchasing, sourcing, contracting and related processes with real-time integration to VISION at designated strategic points necessary to meet all State budget and financial management needs. The Solution will provide comprehensive Portal functionalities to both the vendor and buyer users as the single point of entry to access to all relevant components of the Solution.

The State's functional requirements for the Solution are organized and presented below by the following procurement Workstreams:

- [Need to Pay](#)

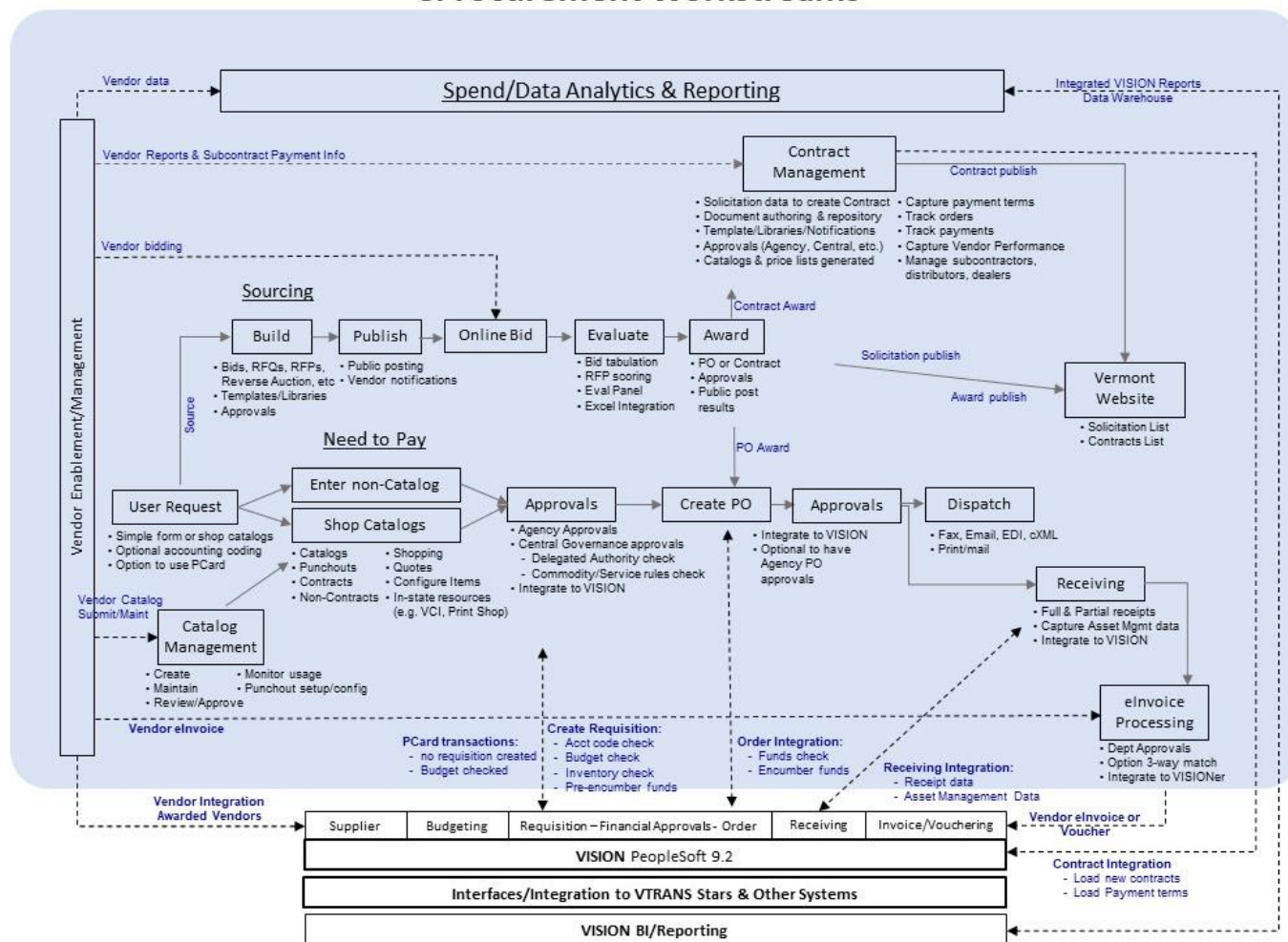
- [Catalog Capability](#)
- [Vendor Enablement/Management](#)
- [Sourcing/Bid Management](#)
- [Contract Management](#)
- [Spend/Data Analytics & Reporting](#)

The following diagram is provided to illustrate the Workstreams and associated functionalities at a high-level:



Additionally, the diagram below provides a more detailed illustration of the conceptual Workstreams and associated functionalities:

eProcurement Workstreams



Bidders may propose Solutions that achieve the States' functional requirements in a manner different from these workstreams, however all requirements must be addressed. Core to all functionalities of the Solution is the requirement that all aspects are to be user friendly, intuitive and innovative in providing both state-of-the-art capabilities and best practices that allow the State to transition from current inefficient practices.

6.1.1 Need to Pay Workstream

The Need to Pay components of the Solution must provide functionality to automate the ordering process from the end-user purchase request through authorizing payment for the resulting order. Key components include but are not limited to purchase request, catalog shopping to drive spend to existing contracts, access to authorized consumer shopping services (e.g. Amazon, Google), intelligent workflow engine to apply Agency, Department and Statewide business rules, on-line approvals, electronic order dispatch, support for PCARD use, receiving, asset management, integration with the State's financial management system, electronic invoicing, and optional 3-way match for payment authorization.

Optionally, the Solution should also provide the capability to support the procurement of services from pre-established services contracts (e.g. Professional Services, Contingent Labor, Healthcare Services) that may include characteristics such as deliverable-based fee services. This specialized type of purchasing would need functionality to address scope/need definition (e.g. SOW), contract vendor submission of quotes with attachments (e.g. resumes, specifications), quote evaluation/selection, order generation and receiving concepts such as recording of timesheets, deliverables acceptance, milestone completions and expenses.

Detailed 'Need to Pay' requirements are provided for Bidder response in Exhibit E – Functional Requirements RTM, 'Need to Pay' tab. Bidders are to provide detailed responses to each requirement listed in this RTM tab.

6.1.2 Catalog Capability Workstream

The Catalog components of the Solution must provide the functionality to establish and maintain contract catalogs in the shopping component of the Solution. Catalog content can be hosted within the system or made available by 'punching out' to a Vendors shopping website with a return of shopping cart content to the eProcurement system requisition. Integration with the Sourcing component of the Solution will allow catalogs to be automatically generated as part of the award process. Integration with the Contract Management component of the Solution will provide one method of maintaining catalog content throughout the life of the contract/agreement. Other key components include utilities for both the Purchasing Agent and the Vendor to setup, manage and maintain catalogs from contract content. Workflow functionality is also available to automate review and approval of catalog content before it is made available to users. The Catalog components of the Solution may also be used to provide access to consumer shopping services (e.g. Amazon, Google), as authorized by the State.

Detailed 'Catalog Capability' requirements are provided for Bidder response in Exhibit E – Functional Requirements RTM, 'Catalog Capability' tab. Bidders are to provide detailed responses to each requirement listed in this RTM tab.

6.1.3 Vendor Enablement/Management Workstream

The Vendor Enablement/Management component provides an integrated Portal that is a single point of entry to do business with the State and provides access to all vendor-facing components of the Solution. Vendors establish and maintain an account in defining who they are and what they sell along with other key data elements needed by the State to procure from and pay the Vendor. Vendors will use this account to access all relevant eProcurement and financial functionalities such as to access/bid on solicitations, receive orders and contract awards, load sales reports and submit invoices electronically. Integration with VISION at the time of order/award allows the Solution to establish and maintain Vendor records needed for A/P processing. The system will provide the State with a means to assess, track, manage and report Vendor Performance across all procurement activities and include capabilities to capture and address performance complaints/issues.

Detailed 'Vendor Enablement/Management' requirements are provided for Bidder response in Exhibit E – Functional Requirements RTM, 'Vendor Enablement/Management' tab. Bidders are to provide detailed responses to each requirement listed in this RTM tab.

6.1.4 Sourcing/Bid Management Workstream

The Sourcing/Bid Management components of the Solution provide functionality to automate the entire bidding process for both the Purchasing Agent/User and the Vendor. All types of

solicitations can be created leveraging standard templates and libraries. This includes formal or informal, sealed or un-sealed, reverse auctions and complex or simple solicitations. Other key functionalities include initiating solicitations from a requisition, public posting, notification of Vendors, evaluation of bids/proposals, bid protest management and making the award. Integration with other eProcurement functionality automates the creation of catalogs and contracts.

Detailed 'Sourcing/Bid Management' requirements are provided for Bidder response in Exhibit E – Functional Requirements RTM, 'Sourcing/Bid Management' tab. Bidders are to provide detailed responses to each requirement listed in this RTM tab.

6.1.5 Contract Management Workstream

The Contract Management components of the Solution encompass all aspects of contract development, tracking and administration. Contract document authoring is automated through templates and libraries to provide consistency across the State. Workflow functionality provides oversight by automating the review and approval processes. Key contract administration functions address management of subcontractors, identification of authorized resellers (dealers, distributors, etc.), Vendor sales reports, Vendor performance as well as amendments and renewals.

Detailed 'Contract Management' requirements are provided for Bidder response in Exhibit E – Functional Requirements RTM, 'Contract Management' tab. Bidders are to provide detailed responses to each requirement listed in this RTM tab.

6.1.6 Spend/Data Analytics & Reporting Workstream

Spend Management components of the Solution provide robust data analytics and reporting to allow the State to strategically assess spend for more effective sourcing and contracting. These tools also provide the means to assess spend across operation dimensions such as Vendor classification, organizational elements and buying trends. Reporting is presented in interactive charts and dashboards with the ability to 'drill down' to the transactional data for comprehensive analysis. Transparency is also a key feature to this component as reports, charts and dashboards can be designed for public access. Access to Solution data would be unrestricted and at no additional costs. All proposals must include examples of these reports.

Detailed 'Spend/Data Analytics & Reporting' requirements are provided for Bidder response in Exhibit E – Functional Requirements RTM, 'Data Analytics & Reporting' tab. Bidders are to provide detailed responses to each requirement listed in this RTM tab.

6.2 NON-FUNCTIONAL REQUIREMENTS

As a technology project, the Contract resulting from this RFP must follow the associated processes outlined by the State of Vermont, Secretary of Administration in Bulletin 3.5 and comply with the Agency of Digital Services' Secretary oversight authority and responsibility for Information Security as defined in 22 VSA 901(a)(1) (<http://legislature.vermont.gov/statutes/section/22/015/00901>), as defined in 3 VSA 2222(a)(9) (<http://legislature.vermont.gov/statutes/section/03/045/02222>). Information Security as distinguished from "IT activities." The Solution must also comply with all State and enterprise policies, standards including technology standards, State accessibility standards and data security standards, and procedures.

The Non-Functional Requirements are organized and presented in the following sections:

- [User Experience](#)

- [Solution Access and Supported Browsers](#)
- [Technical Requirements](#)
- [American Disability Act](#)
- [Web Services and Service-Oriented Architecture \(SOA\)](#)
- [Solution Environments](#)
- [User Accounts and Administration](#)
- [Audit Trail and History](#)
- [Interface and Integration](#)
- [Existing Systems and Data Conversions](#)
- [Office Automation Integration](#)
- [Mobile Device Support](#)
- [Mobile Applications](#)
- [Disaster Recovery Plan](#)

6.2.1 **User Experience**

The Solution must provide a user experience that is simple, direct and effective. Characteristics of this experience must include, at a minimum:

- User entry into the Solution that can be configured such that the user is automatically navigated to the component most-relevant to the user (e.g. A Shopping User's initial screen would be by default the Open Marketplace).
- Intuitive navigation that guides users to the appropriate Solution component with as few clicks as possible.
- Capability that allows user personalization of their initial screen based on their needs or use of the Solution.
- Wizard-driven capabilities that can direct the user to the appropriate process or functionality of the Solution.
- Dashboard functionality that informs users and supports user work management.
- Functionality optimized for mobile access and use.

6.2.2 **Solution Access and Supported Browsers**

The Solution must only require internet browser software for user access the Solution. All State of Vermont Web sites will be developed using technology that is compatible with all popular, modern Web browsers. No site or application will be created using proprietary features available to the visitor only when using a certain brand of Web browser.

- Any browser that is ranked as more than 10% of the Web traffic must be supported
- Popularity of browsers must be tracked via Web server logs, or some other utility, to identify browser and platform trends.
- New Web designs must be tested for multiple browsers, operating systems, and versions (including backward compatibility) based on intended audience.

- If a page will be rendered inoperable on an older browser the page must contain a notice to that effect that is viewable in non-compliant browsers.

The solution must, at a minimum, also be compatible with computers that utilize Microsoft Windows 7 and up and the latest MAC Operating System.

6.2.3 Technical Requirements

The table below identifies the non-functional technical requirements that Bidders must address within their Proposal. These requirements will provide the State with insight into the following key areas of the Solution:

- **Service Availability & Continuity:** reliability, manageability, serviceability, performance (response time), recoverability, and continuity, among others
- **Service Assurance:** security, confidentiality, integrity, credibility, non-repudiation, and data protection, among others
- **Service Efficiency:** cost of service per unit, utilization, and service activity monitoring, among others
- **Service Usability:** ease-of-use, floatability, accessibility, and locale (international operations capability), among others
- **Service Adaptability:** interoperability, scalability, portability, modularity, and extensibility, among others

Topic	Requirement
Hosting	Any technical solution must be hosted in a data center.
	Any hosting provider must provide for back-up and disaster recovery models and plans as needed for the solution.
	Any hosting provider will abide by ITIL best practices for change requests, incident management, problem management and service desk.
Application Solution	Any solutions vendor must provide for the backup/recover, data retention and disaster recovery of a contracted/hosted application solution.
	Any solutions vendor must provide for application management and design standard of all technology platforms and environments for the application solution (Development, Staging, Productions, DR, etc.)
	Any solutions vendor must engage the State of Vermont using Service Level Agreements for system and application performance, incident reporting and maintenance.
	The State owns any data they enter, migrate, or transmit into the solution and the vendor shall allow the State to pull or copy this data at any time free of charge.

	<p>As a contract deliverable, the vendor shall supply an up-to-date data dictionary that represents all data respective of the solution it will provide. The data dictionary must contain the following attributes:</p> <ol style="list-style-type: none"> 1. The technology (RDBMS platform) that hosts the data source, i.e. Oracle, SQL Server, MySQL, DB2, etc. 2. The location where the data source is hosted 3. Thorough descriptions of each table in the data source 4. Thorough descriptions of each column within each table in the data source. In addition to business definitions, column descriptions must include the following detail: schema names; file group names (if applicable); data types; lengths; primary and foreign key constraints; applied formatting; applied calculations; applied aggregations; NULL-ability; default values.
Security	As a solution vendor, you must have documented and implemented security practices for the following and have a process to audit/monitor for adherence.
	Input validation
	Output encoding
	Authentication and password management
	Session management
	Access control
	Cryptographic practices
	Error handling and logging
	Data protection from unauthorized use, modification, disclosure or destruction (accidental or intentional).
	Communication security
	System configuration
	Database security
	File management
	Memory management
	Fraud detection
	General coding practices
	POA&M management
	Risk Assessment Practices including but not limited to vulnerability assessment and pen testing
	Incident response planning and testing
	System Security Plan delivery

6.2.4 American Disabilities Act

The State of Vermont has adopted Section 508 and W3C Web Accessibility Initiative standards and guidelines as the benchmark to meet the objectives of the Universal Accessibility for State Web sites policy. The State embraces these standards and Bidders are required to provide details on the Solution compliance with these standards and the States' "Checklist of Design Considerations" as listed at <http://www.vermont.gov/portal/policies/accessibility.php>.

6.2.5 Interoperability, Web Services and Service-Oriented Architecture (SOA)

Interoperability is the ability of different information technology systems and software applications to communicate, to exchange data accurately, effectively, and consistently, and to use the information that has been exchanged. The State of Vermont wants solution's architects and vendors to follow these high-level guidelines from the Cloud Security Alliance for interoperability.

If solution's architects and vendors require more information on the State of Vermont's approach to interoperability please contact the State's Enterprise Architecture Team.

- Solutions will develop/integrate services using standardized Web Services formats or APIs. If SOA services are used in the solution, the State of Vermont requires SOA be aligned with State standards and vision for interoperability.
- The solution shall use open and published APIs to ensure support for interoperability between components and to facilitate migrating applications.
- All structured and unstructured data shall be available to the customer and provided to them upon request in an industry-standard format (e.g., .doc, .xls, .pdf, logs, and flat files).
- The solution shall use an industry-recognized virtualization platform and standard virtualization formats (e.g., OVF) to help ensure interoperability, and shall have documented custom changes made to any hypervisor in use and all solution-specific virtualization hooks available for customer review.
- Policies, procedures, and mutually-agreed upon provisions and/or terms shall be established to satisfy customer (tenant) requirements for service-to-service application (API) and information processing interoperability, and portability for application development and information exchange, usage, and integrity persistence.
- The solution shall use secure (e.g., non-clear text and authenticated) standardized network protocols for the import and export of data and to manage the service, and shall make available a document to consumers (tenants) detailing the relevant interoperability and portability standards that are involved.
- Solutions will support creation and extension of service interfaces for interoperability using Web Services Description Language (WSDL).
- Solutions will have:
 - Protocols: The ability to use standards-based communication protocols, e.g., TCP/IP, HTTP, HTTP/S and SMTP.
 - Protocol bridging when required by service: The ability to convert between the protocol native to the messaging platform and other protocols, e.g., Remote Method Invocation (RMI), IIOP and .NET remoting.

6.2.6 Solution Environments

The Solution must include the following system environments at a minimum to support the State as described below:

- **Development Environment** – this environment will be integrated with the VISION development environment to facilitate State development and unit/system testing of integration functionality.
- **User Acceptance Test Environment** – this environment will be used by the State to validate system performance and functionality prior to release to Production. This environment will be integrated with the VISION test environment to facilitate training on all procurement processes.
- **Training Environment** – this environment will have the same components, software, functionality as the Production environment and new releases/upgrades made to Production will also be applied to the Training Environment at the same time as Production or at an schedule mutually agreed with the State. This environment will be integrated with the VISION training environment to facilitate training on all procurement processes.
- **Production Environment** – this environment will provide State, Non-State Entity and Vendor users access to all components, software and functionality as required by the Contract.

6.2.7 User Accounts and Administration

The State envisions the Solution would provide a variety of user account types from full access for system administrators to a tiered structure of limited access depending on the user's role. It is anticipated that the State will coordinate and develop the user account structure with the Solution Provider during the initial stages of implementation.

For some processes, an approval hierarchy of assigned users (or alternate approver should an approver not be available) would need to be included based on the user initializing the process and the process itself (e.g., requisition to initiate a bid for a commodity requirement: an Agency or Department may have several assigned personnel that approves the request before it is released to the Office of Purchasing & Contracting to begin the posting process). User accounts, based on set permissions, should have the ability to share documents (e.g., technical proposal for review) with another user and also to an approved state employee that does not have a user account.

User accounts must be associated to a specific organization (e.g. Agency, Department, Non-State Entities) and have the capability to be authorized to buy on-behalf of multiple other organizations.

Administration of the Solution, including User setup/maintenance, must have delegation assignment to allow the State the option to distribute the administration responsibilities. This delegation capability must allow definition of the specific functions and organization(s) (e.g. Agencies, Departments, Non-State Entities) that the delegated Administrator will have access to manage.

Administrator accounts should have the ability to send an email blast or notice on home screens to all or select user groups within the authority granted to them.

6.2.8 Audit Trail and History

The Solution will be required to track all user and Vendor activity throughout the Solution and run related reports on any activity. This will be key to have audit trails throughout the Solution that would allow for key insight that could impact a determination. As an example, all bid submissions

must be time stamped as no late bids will be considered by the State. If a Vendor submits a bid protest, the State will need to see the time history on when that Vendor downloaded the solicitation and when they submitted. The Solution should also track the history of steps throughout the solution that tracks date, time, user, when and who approved if applicable, status changes, approval or rejection history, etc. History can either be obtained by running a report, opening a history tab or other Vendor option however must be able to run quickly by any user and not have any adverse effect on solution performance. All data and documents must be retained for a set timeframe per various record retention policies which can span several years. Versioning of documents, catalogs, profile history, etc. must be available. All documents generated must be retained in the Solution (e.g., multiple change orders).

6.2.9 Interface and Integration

Proposed Solutions must support both interface and real-time integration abilities. Proposals must provide complete technical details on these abilities including, at a minimum, standards supported, restrictions, requirements of State systems and whether the functionality is currently in use with other PeopleSoft 9.2 customers.

6.2.9.1 VISION Financial System Integration

Proposed Solutions must provide real-time integration with VISION, the State's financial management system, to facilitate financial management and payment processes. The Solution must provide a means to determine by organization (Agency, Department, etc.) which will be integrated to VISION and which transactions will be integrated for that organization. This integration functionality must provide, at a minimum, the following capabilities and features for VISION:

- **Individual Transactions:** Individual transactions will be integrated to VISION as they are processed through the Solution.
- **Real Time:** Individual transaction integration will occur in 'real time', not batch processing, leveraging Web Services, SOA and associated technologies.
- **Vendor Account Data Integration:** While Vendor self-service registration and account maintenance resides in the Solution, VISION only needs vendor accounts to be established at the time the State awards either a Purchase Order or Contract to the Vendor thereby creating an anticipated obligation to pay that Vendor. There are two integration concepts that must be provided by the Solution:
 - **Vendor creation** - upon final approval of a Purchase Order, award of a solicitation and creation of a new contract the Solution must integrate, in real-time, the associated Vendor(s) to VISION with all data required by VISION to establish a complete Vendor record/account. This integration will include the capability to transmit specific attached documents, as identified by the State (e.g. W-9 form).
 - **Vendor updates** - the Solution must track Vendor accounts that also exist in VISION and integrate, in real-time, updates made to these Vendor accounts as they occur.
- **Transaction Integration Processing:** Individual transactions must be integrated to VISION to meet all financial needs including, but not limited to, verification of accounting codes, budget/funds checking, inventory checking, pre-encumbering/encumbering of funds, invoice/voucher processing. Each integration event will pass all transaction data

necessary for VISION to process the transaction. Transactions will not be processed further in the Solution until VISION returns an 'approval' or authorization to proceed. This integration must also support VISION return of a 'disapproval' or 'deny' concept with specific details including, but not limited to, error messages, an explanation of the 'disapproval' situation and instructions to the user. These specific details will be made available to the user with an approach that is intuitive and easy to find/understand. The Solution will capture full details of the integration events as an audit or history record on the transaction. The Solution will also provide individual email notifications to the user for both 'approval' and 'disapproval' occurrences that include, at a minimum, email subject text that identifies the transaction and 'approval'/'disapproval' and email content that again identifies the transaction and 'approval'/'disapproval' and includes the error message returned by VISION.

- **Transactions to be Integrated:** at a minimum, the Solution must support integration of the following transactions to VISION:
 - Requisitions- integrate when the Requisitioner submits for approval.
 - Purchase Orders/Change Orders- integrate after final approval. Purchase Order will not be created or dispatched to the Vendor until authorized by VISION.
 - Receipts- integrate when the user submits for approval. Integration data will include any associated Asset Management data (e.g. serial number, location, contact person).
 - Invoices: integrate after final approval. Note that it is expected that invoices will still require user approval prior to integration to VISION.
 - Vouchers: the Solution will provide the capability for the State to elect to do invoice matching in the Solution and will integrate a voucher record upon final approval.
 - Contracts/Amendments: integrate upon final approval.

6.2.9.2 STARS Financial System Interface

Proposed Solutions must interface with the VTRANS financial management system to facilitate financial management and invoice matching processes. This interface functionality must provide, at a minimum, the following data and transactions to STARS:

- **Vendor Account Data:** vendor account data associated with Orders and Contracts processed within the Solution. As described with the VISION integration in the previous Section, the two concepts that must be supported by the Solution:
 - Vendor creation- upon final approval of a VTRANS Purchase Order, Award of a Solicitation and creation of a new Contract the Solution must interface the associated Vendor(s) to STARS with all data required to establish a complete vendor record/account.
 - Vendor updates- the Solution must track vendor accounts that also exist in STARS and interface updates made to these Vendor accounts as they occur.
- **Purchase Order/Change Order Transactions-** interface all order/change order records that have been approved by the VISION integration.

- Contracts/Amendments: interface upon final approval.

6.2.9.3 VISION Data Warehouse Integration

Proposed Solutions must integrate with the State VISION Data Warehouse and Business Intelligence (BI) Reporting (PeopleSoft BI Publisher) components to support consolidated Enterprise reporting needs. This integration will provide access to all transaction and transaction processing data (e.g. Approval data, Solicitation response data) to support report development with the State reporting tool.

6.2.9.4 Other State Systems Interfaces/Integrations

The State anticipates that there may be other systems in use by the Agencies or Departments that will require either interfaces or integrations with the Solution. The development and implementation of these interfaces/integrations would be managed as a Task Order under the State Contract for the Solution and costs for this work would be established based on the Rate Card established within the State Contract.

6.2.9.5 Non-State Entity Interfaces/Integrations

The State anticipates that some Non-States Entities will need to have interfaces or integrations established to their systems. The development and implementation of these interfaces/integrations would be managed as Agreements separate from the State Contract for the Solution however the costs for this work would be established based on the Rate Card established within the State Contract.

6.2.10 Existing Systems Replacement and Data Conversions

The Solution is expected to be capable of replacing the following existing systems and may require data conversion of data into the Solution.

- **AASHTOWare:** The State will be consider replacing this system within the FY2019-2021 timeframe. Bidders are to provide details on any Solution capabilities that could provide this same functionality.
- **Bidx:** The State will be considering replacing this system. Offerors are to provide details on any Solution capabilities that could provide this same functionality.
- **Vermont Bid System (EBB):** Public Notice of Solicitation to VT Bidders or RFP posting to satisfy public notice of standard bid as required under Administrative Bulletin 3.5 <http://www.vermontbidsystem.com/>
- **Silanis eSign:** A 3rd party e-sign platform utilized by a few agencies in various capacities to capture electronic signatures. <https://www.esignlive.com/>. The State anticipates utilizing the Solution workflow/approval capabilities to replace the Silanis for procurement transactions. Electronic signatures solutions must comply Uniform Electronic Transaction Act (9 V.S.A. §§ 270-290) which describes when/how e-signatures will be legal and enforceable (<http://legislature.vermont.gov/statutes/chapter/09/020>). Bidders are to describe Solution electronic approval/e-signature capabilities and discuss how they comply with State regulations. Bidders are also to provide details regarding any other esignature capabilities available with the Solution including any capability to integrate with external esignature tools/applications.

- **Contracting Tracking System (CTS):** A Microsoft Access application utilized by VTRANS and the Office of Purchasing & Contracting (OPC) to manually track the contract approval process. OPC will be transitioning their contracts from CTS to the Solution. VTRANS will determine if they will transition contracts once a Solution has been selected. The Contractor will be required to convert and load specific active Contracts into the Solution. Specific selection criteria will be provided by the State at the time of implementation.
- **VISION Contracts:** The State records all Contracts to facilitate financial processing, tracking and reporting. The Contractor will be required to convert and load specific active Contracts from VISION into the Solution. Specific selection criteria will be provided by the State at the time of implementation.
- **BGS Vertical Construction Bid Posting Site:** Public access website for posting of vertical construction projects issued by BGS.
 - **Blueprints Etc:** This is a service provider to the State used to manage and distribute construction drawings for BGS. For details reference: <http://www.blueprintset.com>. The State is interested in determining whether and how the proposed Solution could replace some or all of this service. Bidders are invited to propose alternatives to this existing service with their Solution offering.

6.2.11 Office Automation Integration

The State has standardization on the following office automation products: Microsoft Office 365, Microsoft Project, Microsoft Visio and Adobe. The Solution must be compatible with these products to support, at a minimum, documents as attachments, automated generation of documents (e.g. solicitations, contracts), import/export of transaction data (e.g. requisition line items, solicitation line items, bid tabulations, evaluation scores, contract line items), and cut/paste of text into Solution text fields.

6.2.12 Mobile Device Support

The Solution functionality must be mobile adaptive and responsive such that application pages automatically sense and adjust onscreen content to be readable and usable on mobile devices for all Vendor and State application components.

6.2.13 Mobile Applications

The Solution must include Mobile Application capabilities that leverage mobile device specific functionalities. These Solution Apps must meet all of the relevant technical, audit and security controls as required of the full Solution. The following are examples of best-practice Mobile Apps that the State expects to have available:

- Mobile Approvals- access for Approvers to review and approve/deny transactions (e.g. requisitions, receipts, invoices, solicitations, contracts, etc.)
- Mobile Solicitations- access to publicly posted solicitations
- Mobile Reports- access to reports and dashboard presentations published to the user in the Solution

6.2.14 Disaster Recovery Plan

The Contractor will have a Disaster Recovery Plan for the Solution. The Plan will document the sequence of events to follow in the circumstance that an internal or external interruption impacts

Services provided to the Solution user community that may arise as a result of failure of one of more Solution components that comprise the Solution infrastructure, hardware, software, interfaces, networks, Contractor's data center facility, power and the like.

The Plan will be developed in consultation with the State and in adherence to the State IT policies.

The activities of the Plan are intended to reduce or minimize downtime of critical equipment, interruption of employee work schedules, and financial exposures for the State and Contractor.

The Plan also documents a sequence of communication events to follow during an internal or external infrastructure failure or natural disaster (act of nature).

6.2.15 Transition-Out Plan

Contractor will allow unlimited access to pull the State data and provide a copy of the Contractor's data dictionary as long as the State is under contract with the Contractor. In the event of breach or cancellation of this contract, the Contractor shall provide at no additional cost to the State a backup of the State database and a copy of the data dictionary for restoration to the State's Solution. The State will provide a Secure File Transfer location to the Contractor to deliver the backup file.

6.3 SOLUTION IMPLEMENTATION REQUIREMENTS

It is the State's intent that the implementation of the Solution be accomplished with an approach that is 'Agile-like' rather than full implementation of all users at a single point in time. This approach would consider iterative functional deployments to make functionality available to users in a methodical and incremental manner that ensures the Solution is implemented to meet the State's requirements yet provides value early. Prior to any deployment decisions, the Contractor will be required to lead the State in Business Process Re-engineering efforts to ensure that State procurement practices and processes are aligned to leverage Solution capabilities.

Bidders should propose an implementation approach that best meets the States' objectives but is based on demonstrable success and experience that would lead to the most cost-effective and low-risk implementation of the Solution.

The following Sections address the States' requirements regarding the implementation, deployment and on-going support of the Solution.

- [Project Implementation Schedule](#)
- [Project Initiation](#)
- [Project Management](#)
- [Contractor Project Manager](#)
- [Project Staffing](#)
- [State Project Support](#)
- [Testing](#)
- [Organizational Change Management](#)
- [Training](#)
- [On-Going Support Services](#)

- [Service Level Agreements and Service Level Credits](#)

6.3.1 Project Implementation Schedule

The State has anticipated an 18-month implementation schedule with a currently estimated completion date of April 2019. Bidders must provide a proposed implementation strategy and plan that demonstrates and promotes incremental phases, outcomes and deliverables. Each step detailing the cost and tactical benefits to the State. As discussed at the beginning of Section 6.3, the State recommends an Agile deployment methodology.

The following table provides additional date information regarding this RFP and the resulting project:

Milestone/Deliverable	Target Delivery Date or Range
Contract Signed	March/April 2018
Project Kickoff	April 2018
Project Schedule Workplan	April 2018
Project End Date	September/October 2019

6.3.2 Project Initiation

The Contractor must plan for a Project Initiation phase of the project that allows for project planning, assessment and preparation activities prior to implementation of the Solution. This work will include, but not be limited to:

- Comprehensive review of overall project scope, Contract requirements and the responsibilities of both the State and the Contractor to ensure common understanding.
- Provide business analysis services to lead the State through a comprehensive Business Process Re-engineering (BPR) assessment of current business practices and processes to identify changes necessary to leverage the Solution capabilities and achieve the State eProcurement objectives. The outcome of this assessment would also identify any additional State system that need interfaces or integration with the Solution.
- Conduct fit-gap analysis of the capabilities of the Solution to the State requirements and to State procurement practices/processes as redefined from the BPR assessment.
- Analyze and develop specifications for all required interfaces and integrations with State systems, including any data conversion. This analysis would also identify any existing State systems that will be candidates to be retired and transitioned to the Solution.
- Develop detailed implementation strategies and recommendations for approval by the State.

- Define an overall Solution architecture model that encompasses all interfaced and/or integrated State systems.
- Establish the initial Implementation Plan for the deployment and support of the Solution as architected in the previous Project Implementation tasks.

6.3.3 Project Management

The selected Bidder will, as the Contractor, be responsible for managing the overall project including all tasks and activities from the initial confirmation of requirements and identification of required configurations/customizations required through the design, development, testing, training, deployment, post deployment solution validation, warranty and support of the solution. As part of the Project Management Services, the Contractor will also work closely with the State to manage project scope, reduce project risk, and proactively resolve project and production support issues. The State has a project governance structure that will be shared in detail and finalized with the awarded Contractor. The Contractor will continually communicate and share knowledge with the State Project Manager and Team.

The Contractor will apply Project Management Institute's (PMI) Project Management Body of Knowledge (PMBOK) principles, using Contractor's preferred methodology, with the goal of delivering an on-time and within-budget delivery of the Solution, while meeting all of the Requirements in this Contract.

The State will approve all Project Management methods and tools used during the project. These Project Management methods and tools are considered project deliverables. For clarity, Contractor's pre-existing project management methods, tools, methodologies, and utilities are not project deliverables; they remain the property of Contractor. Contractor will utilize the Enterprise Project Management Office (EPMO) Project Management templates <http://epmo.vermont.gov/templates/alphabetical> where required by the EPMO.

The State and Contractor will mutually agree upon a set of project standards prescribing the adopted processes, responsibilities, and timeframes for key project activities, including, but not limited to: deliverable review and acceptance; issue management; risk management; software development standards; work product reviews; change order management; and quality management. These standards will be documented in the Project Management Plan deliverable.

Microsoft Office products (version 2013 or later) will be standard for project documentation. Microsoft Project will be standard for the overall project schedule and assigned tasks.

The State will provide general office supplies, access to State's email system, including a State email address active directory access, the ability to schedule meetings through Microsoft Outlook and access to copiers and laser jet printers (or equivalent).

The State will provide access to several conference rooms for conducting meetings that can be scheduled through the State's room reservation process.

The State is responsible for the identification of, interpretation of, and compliance with any applicable laws, regulations, and statutes that are applicable to State or its operations and that affect the Solution or the use of the Solution under the contract that will be awarded from this RFP. The State will develop a policy inventory and updates to State policies, as needed, for policy changes resulting from the Solution implementation.

Prompt decision making and problem resolution will be based on the requirement to achieve an on-time, on-budget project completion. It is expected that decision and/or problems will be resolved promptly within 2 business days. If the State cannot meet an outlined decision-making timeline that is requested by Contractor, the State will inform the Contractor's Project Manager (PM) with the expected resolution timeline.

6.3.4 Contractor Project Manager

The Contractor will designate a full-time individual to serve as the "Contractor Project Manager (PM)" who will: (i) be a senior employee within Contractor's organization, with the information, authority and resources available to properly discharge the responsibilities required hereunder; (ii) serve as primary point of contact and the single-point of accountability and responsibility for all Project-related questions and issues and the provision of Services by Contractor; (iii) have day-to-day responsibility for, and authority to manage, State customer satisfaction; (iv) devote full time and dedicated efforts to managing and coordinating the Services; and (v) be located at State facilities or such other appropriate location as Contractor and the State may mutually agree.

Contractor PM shall be responsible for all tasks necessary to manage, oversee, and ensure success of the project. These tasks include documenting requirements, developing and updating project plans, assigning staff, scheduling meetings, developing and publishing status reports, addressing project issues, risks, and change orders, and preparing presentations for the State.

Contractor PM shall be responsible for the successful delivery of all Contractor tasks and subtasks defined in the Project Management Plan (as defined herein). Progress will be monitored and plans adjusted, as necessary, in project status meetings. The Project Management Plan deliverables (for both State and Contractor tasks) shall be updated by the Contractor, subject to review and approval of the State, and reports need to be prepared for each status meeting.

Contractor PM shall be responsible for developing and implementing the following Project Management documentation and updating as necessary during all phases, regardless of phase assigned. Note that some of these documents are in conjunction with the State PM:

- **Project Management Plan (PMP)**
 - Within thirty (30) business days from the project kick-off, the Contractor will provide a draft copy of the PMP that contains the following:
 - Project Phases and Deliverables
 - Project Management Procedures and Controls including Issue, Risk and Scope Management
 - Meeting Definitions
 - Status Report Standards
 - Resource Planning
 - Project Schedule Standard
 - Project Management Tools
 - Quality Assurance & Quality Control
 - Risk Register

- The PMP must include, but is not limited to, the following plan documents: Scope Management, Schedule Management, Quality Management, Risk Management, Organizational Change Management, and Budget Management.
- **Communication Plans**
 - This document outlines the communication approach and audiences.
- **Project Work Plans (to be updated throughout the duration of the project)**
 - Within thirty (30) business days from the project kick-off, the Contractor PM must produce a draft work plan in Microsoft Project v2013 or later. Within this plan, the following is required:
 - Timeframes
 - Project tasks (breakdown, resources, dependencies)
 - Key milestones
- **Deliverable Approval Matrix**
 - This document will list the deliverables by rollout, stage and Phase. It will include the list of Contractor and State approvers by deliverable, including the status of each deliverable.
- **Kickoff Meeting Agenda & Meeting Presentations**
 - The kickoff meeting agenda will include the list of attendees, meeting date, duration, and location as well as the topics to be covered.
 - The kickoff meeting presentation will include organizational charts of key project staff and a description of roles and responsibilities for each project phase. There will be graphical representation of the proposed project timeline and scope. Descriptions of project approach and methodology will be presented as well as an overview of what the State should expect during the various phases and stages of the project.
- **Knowledge Transfer Plan (in conjunction with Contractor's Organizational Change Management Lead)**
 - This plan will include project objectives, knowledge transfer metrics, roles and responsibilities, assessment approach (including tools and dates), skills required and participants.
- **Discover Calendar and Agenda (ongoing documentation for duration of discover sessions)**
 - Calendar listing for each session with date, duration, and location as well as agenda topics for each session.
- **Requirement Validation Sessions**
 - Calendar listing of each session with date, duration, and location as well as the agenda topics for each session.
- **Testing Plans**
 - This plan will detail the overall testing approach, testing activity in the project life cycle, the roles and responsibilities, procedures, schedule, cycle expectations, scope, participants for each test cycle and a tool for tracking the test results, defects and issues.
- **Readiness Assessments**

- This assessment will list the State's review items to assess readiness prior to each rollout of new technology/processes and go-live. This will include the readiness scope and assumptions, review and analysis, as well as the group identification.
- **Contingency Plans**
 - This plan will summarize what the Contractor and State will do should cutover to production not be completed for all deployment and go-live activities.

Both the Project Work Plan and the PMP will need final approval by project stakeholders. Once formally approved, the State PM, in conjunction with the Contractor PM, will ensure appropriate execution of all plans created for the duration of the project.

Contractor PM shall provide a written weekly Summary Project Status Report as well as a monthly written Detailed Project Status Report to the State PM for the duration of the project. The State PM shall be responsible for the review and acceptance of project management documentation.

Contractor PM shall assist State PM (upon request) in creating materials for periodic presentations to State project sponsors and key stakeholders. Contractor PM may be required to present information to, and answer questions from, State stakeholders at these presentations.

The Contractor PM is responsible for managing the Contractor's work on the project and shall work at the general direction of the State PM. The Contractor PM shall work closely with the State PM on a day-to-day basis. The Contractor PM shall be on-site in Vermont for the duration of the project, based upon an agreed project schedule and agreed upon weekly work schedule. The Contractor PM shall work with the State PM to schedule and facilitate weekly project team status meetings on-site.

Contractor PMs are subject to performance assessments. The State has the right to request that a Contractor replace a PM resource within 14 business days, at no additional cost to the State, if he/she does not receive a "Good" performance rating. Ratings will be assessed using the State's ADS Enterprise Project Management Office's (EPMO) Project Manager Scorecard available on the EPMO's website http://epmo.vermont.gov/project_management_performance_measures. Areas of assessment include: adherence to the EPMO's standard project management process; on-time completion of project management deliverables; the quality of the deliverables produced; the organization and secure accessibility of project artifacts; the ability to lead the project team; the effectiveness of risk and issue management; the ability to course correct as needed; and the effectiveness and timeliness of project communications.

6.3.5 Project Staffing

The following table identifies key Contractor roles and responsibilities that are deemed critical to the success of the Project and are required to be dedicated to this Project and available fulltime and onsite as required to meet Project Plan tasks.

Contractor Project Team Role	Project Team Role Description and Responsibilities
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Contractor Project Team Role	Project Team Role Description and Responsibilities
Functional Lead(s)	<ul style="list-style-type: none"> ▪ Works with the Contractor's and the State's Project Managers and teams to identify, coordinate, and implement tasks, risks, issues, time estimates, and all other relevant Project activities through completion of the Project in all areas of the Contractor's eProcurement solution functionality ▪ Coordinates functional requirements reviews, validation, and mapping to the Contractor's Solution functionalities ▪ Coordinates Solution functionality testing, and verifies traceability to the originating requirements ▪ Coordinates Solution integration testing, and verifies integration accuracy ▪ Coordinates Solution development testing, and verifies development and functionality accuracy ▪ Leads the Contractor's efforts in all functional areas of the Solution ▪ Manages the overall quality and timeliness of deliverables in the impacted functional areas ▪ Serves as an expert resource to mitigate or resolve Project issues and risks
Technical Lead(s)	<ul style="list-style-type: none"> ▪ Works with the Contractor's and the State's Project Manager and teams to identify, coordinate, and implement Solution's technical related tasks, risks, issues, time estimates, and all other relevant Project activities through completion of the Project in all areas of the Contractor's eProcurement solution functionality ▪ Coordinates technical requirements reviews, validation, and mapping to the Contractor's solution technical specifications ▪ Manage design, development, testing and deployment of Solution interfaces, data conversions, workflows and other custom objects ▪ Leads the Contractor's efforts in all technical areas of the Solution procurement ▪ Manages the overall quality and timeliness of deliverables in the impacted technical areas ▪ Serves as an expert resource to mitigate or resolve Project issues and risks ▪ Manage technical team resources including technical architecture, database administration and infrastructure management supporting the Project ▪ Plan for and manage Performance Testing activities

Contractor Project Team Role	Project Team Role Description and Responsibilities
Organizational Change Management Lead	<ul style="list-style-type: none"> ▪ Create and manage the OCM Strategy, which includes the State’s approved approaches for communication, readiness, and training ▪ Create and manage the OCM Communication Strategy ▪ Approve and oversee the execution of the Training Needs Analysis, Training Strategy, Training Materials, and Training Deployment Plan ▪ Work with the Project Manager, key leaders and project teams to integrate OCM activities into the overall Project Plan ▪ Coordinate development of all OCM communications and training materials ▪ Coordinate development of business and OCM readiness activities ▪ Report OCM readiness status to Project Manager ▪ Ensure that leading OCM practices are implemented ▪ Conduct presentations and participate in meetings, as appropriate. ▪ Resolve or escalate issues that are raised by the OCM team
Operations Lead	<ul style="list-style-type: none"> ▪ Manage daily operations of the Contract staff ▪ Work with State Personnel, network Contractors, and be responsible for enforcing the defined service levels for the Project ▪ Prioritize new project work ▪ Handle ongoing production maintenance and production support activities ▪ Manage dispute resolution ▪ Monitor issues and provide root-cause analysis for any unforeseen outages or Solution issues that occur ▪ Must be available for all project meetings ▪ Must be available by phone during regular business hours ▪ Must be available onsite at the State’s facilities within 24-hour notice by the State

Bidders must submit, as part of their proposal, a Staffing Plan that identifies these key positions and may also include other designated positions for support of the Project. The Plan must, at a minimum, include the following:

- The names and abbreviated biographical resumes (2-page limit) for all Key Roles and positions, including the project manager and all functional/support resources.
- An organizational chart including any subcontractors and key management and administrative personnel assigned to this project.

- A contingency plan that shows the ability to add more staff if needed to ensure meeting the Project's due date(s).
- The number of people onsite at State location(s) at any given time to allow the State to plan for the appropriate workspace.
- A statement and a chart that clearly indicates the time commitment, inclusive of the Project Manager and the bidder's proposed team members for this Work during each stage of the Project and the Solution Life Cycle.
- A statement indicating to what extent, if any, the candidates may work on other projects or assignments that are not related to the State during the term of the Contract.

6.3.6 State Project Support

The State is committed to the success of this project and will provide staffing resources as appropriate. To help the State better plan to have the right resources available in the right quantities at the right time, the Bidder must include the following in its response to this RFP:

- Nature and extent of State support required in terms of staff roles, percentage of time availability;
- The experience and qualification levels required to meet identified staff roles to successfully accomplish the goals of the project;
- Other support requirements.

Furthermore, the Bidder must indicate whether its request for State support is a requirement for its performance. The State understands that its participation is critical to ensure the goals of the project are accomplished therefore, advanced notice of the expected State resource support required is beneficial.

6.3.7 Testing

Testing activities will check all aspects of the Solution including but not limited to its functionality, performance, integration, and the conversion/migration of relevant data. Since the Solution is expected to be deployed iteratively, and potentially different sets of functionalities will become available at different times, it is important to note all functionality deployed to date will need to be regression tested to ensure the integrity of the entire Solution.

The Contractor is responsible for all unit, Solution, performance and regression testing of the Solution and Solution -related changes. Such changes must not be introduced into a Production environment until they have been through the complete test cycle described above and approved by the State after a successful UAT. Test conditions and test scenarios to be included in the Solution Testing will be mutually agreed upon by the Contractor and the State. These scenarios will be based on an analysis of the requirements, changes, and modifications that are approved for implementation.

The State is responsible for User Acceptance Testing ("UAT") Test execution while Contractor will be responsible for test preparation, management and tracking of UAT activities. UAT verifies the usability of the new processes and ensures that the Solution meets the requirements and the needs of the organization and the end user. UAT leverages Solution Test Scripts and is executed by State resources. The Contractor must provide all support necessary for the State to successfully conduct UAT. A key objective of UAT is to facilitate an understanding of the technology and the business change being implemented.

The Contractor must also provide all support necessary for the State to conduct Security Testing of each functional release which may include activities such as manual testing of the Solution and loading of maliciously formatted inbound interface files.

The Contractor must remedy all bugs/defects discovered during testing and maintain a bug/fix tracking report that clearly identifies each bug detected in testing, the status of the resolution, and the projected fix/resolution date. The Contractor must also provide additional testing steps if needed as part of the bug fix/resolution.

The Contractor must develop and prepare weekly status reports to monitor the progress of each test phase. The status reports will contain at a minimum, sections for condition creation, script creation, script execution, issue identification and resolution, and defect identification and resolution.

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

6.3.8 Organizational Change Management (OCM, All Phases)

Organizational Change Management is essential to the eProcurement Software Solution Project as it undertakes numerous Business Process Re-engineering efforts that will require people to change behaviors and adopt to new ways of performing their work in the future. The eProcurement Solution will encompass and impact State Agencies and Departments and Non-State Entities as well as current and prospective Vendors. OCM plans and activities for this project are to begin at Project Kickoff and be on-going throughout all phases of the project. In addition to this project, there are other State projects that will require cross-project OCM coordination with other OCM and Contractor project teams.

The Contractor's OCM Lead and support staff are required to be skilled and experienced OCM practitioners, knowledgeable in OCM best practices. OCM roles and responsibilities include, at a minimum, but are not limited to:

- Contractor will lead and assist program team members and other stakeholders in OCM activities that are designed to help the State prepare for the future State.
- Contractor will work with the State to strengthen its own OCM discipline by systematically shifting their role from "pilot" to "copilot", gradually transitioning responsibility to the State team members as they gain knowledge and experience on the development and execution of the various OCM tools.
- Contractor, in conjunction with the State, will identify stakeholders and impacted groups including but not limited to State Agencies, Departments, Employees, and Vendors. Non-State Entities would be identified when and as appropriate.
- Contractor, in conjunction with the State, will communicate the vision and anticipated benefits of the change initiative to stakeholders and impacted groups and identify resistance points.
- Contractor will conduct readiness assessments as needed throughout the project. Contractor OCM Lead will prepare periodic change management presentations to select audiences (change agents, finance, and procurement). Contractor OCM Lead will perform the readiness assessments.
- Contractor will establish and maintain Readiness Scorecard.

- Contractor, in conjunction with the State, will develop a Stakeholder Analysis matrix, Change Management Plan, Resistance Management Plan, Training Plan, Communications Plan, Knowledge Transfer Plan that addresses how knowledge regarding the use and operational support of the system will be transferred to the State, and Change Management Transition Plan that addresses the transition of on-going Contractor OCM activities to the State and identifies post-implementation OCM activities that the State should execute.
- Create and Manage Pre-Go-Live OCM checklist for each stakeholder group
- Define utilization and proficiency metrics
- Create methods and processes for ongoing measurement and reinforcement of all changes
- State OCM responsibilities:
 - The State leadership owns and is committed to the change management effort. State will actively support the deployment of a communication and change plan throughout the duration of the project.
 - The State will be primarily responsible for leading and maintaining all project related communications with State departments and staff, including but not limited to, the creation and maintenance of the project website, newsletters, departmental briefings, etc.
 - The State will be responsible for developing and disseminating project messages, and will enlist State managers and supervisors as “change agents” to help in obtaining the buy-in of their direct reports.
 - The State will provide resources to assist in the delivery of certain training. It is anticipated that State management and employees will play a role particularly in the delivery of OCM related instruction.
 - The State will support the development of a change network that will be organized through the State agencies and departments. These resources will support design sessions, interface needs, conversion needs, testing, security assignments and training.

6.3.9 Training

The Contractor OCM Lead shall be responsible for providing adequate training to ensure all users identified herein are properly trained to utilize the eProcurement Solution. The Contractor shall develop and implement a Training Plan, which must be approved by the State’s Project/Contract Manager(s). The Training Plan must, at a minimum, identify the method of training recommended for the various users of the Solution. The Contractor shall provide personnel to conduct the training who must have excellent English communication skills.

The following, at a minimum, are the types of users that must be addressed in the Training Plan:

- State End Users
- Non-State End Users (Non-State Entities would be identified when and as appropriate.)
- Vendors
- System Administrators
- Help Desk Staff
- State Trainers (Train-the-Trainer)

The following, at a minimum, are the types of training methods that must be addressed in the Training Plan:

- On-site Instructor Lead, computer based classroom training
- Web-based Instructor Lead training (e.g. Webinar session)
- Web-based self-service/on-demand training (e.g. web posted video)

The following, at a minimum, are the post-implementation training topics that must be addressed in the Training Plan:

- Recommended post-implementation training programs of internal and external users (e.g. classes, curriculum, schedule, delivery methods, etc.)
- Required State resources (e.g. type, number, skills/experience, etc.)
- Transition of training to the State, including Contractor plan to train and prepare State training resources
- Other recommendations and/or lessons learned regarding post-implementation training

Proposals must include an example Training Plan that demonstrates Bidders' proposed training approach.

The Contractor must provide training materials for use with each type of training service. The training materials must include step-by-step procedures and directions. All training materials shall be the property of the state for use in future training and the state may download/copy/distribute these materials without restriction. The state shall have the right to publish/post the contractor's training materials on publicly accessible websites.

Proposals must include links to examples of training materials that would be used in conjunction with the Training Plan.

6.3.10 On-Going Support Services

Upon completion of implementation the Contractor will provide the following support services to the State. All proposals shall provide a complete description of its standard support offerings for end users and technical staff including; help desk, application and technical support.

6.3.10.1 On-Site System Stabilization Support

The Contractor must provide on-site personnel to support a stabilization period of 3 months after the Project Implementation End Date. These personnel will address, at a minimum, system setup/configuration changes, issue assessment/resolution, system performance and stability monitoring/adjustment, system use assessment, mentoring of State operations staff, coordination of Contractor off-site tasks and support resources, coordinate documentation of lessons learned and provide additional operational support as determined by the State.

6.3.10.2 Help Desk

The Contractor must design, implement, staff and manage a Help Desk operation in support of the Solution and the Contract. In general, the State requires the Contractor to allocate help desk support to include at a minimum:

Tier 1 Level Support: Basic level of support with general and broad understanding of the solution. Tier 1 support would identify a user's needs and provide tips on how to manage a problem

through frequently asked questions (FAQs) or a knowledge base. If tier-1 support is not able to resolve the issue, they would pass it on to the appropriate tier-2 support.

Tier 2 Level Support: Support involves technical knowledge and is staffed by technicians who have troubleshooting capabilities beyond the tier-1 staff. If issues cannot be resolved then they go to tier-3 support. It is also determined by the tier-2 support if State involvement is needed to resolve an issue.

Tier 3 Level Support: Support with specialized skills over and above that of the tier-2 support. This support is usually provided by the specialists involved in product development and that deal with complex issues. Tier 3 support also resolves issues in conjunction with the State on matters related to State procurement laws, rules, policies, and procedures.

The Contractor must provide a Help Desk Support/Management Plan to the State that addresses the entire term of the Contract (i.e. implementation and post-implementation) and includes/identifies, at a minimum, the following:

- Contractor Help Desk location and staffing
- State Help Desk responsibilities and staffing recommendations during and post-implementation
- Training to prepare State Help Desk resources
- Operational procedures that address all of the required services identified in this RFP section and addresses all interactions between Contractor and State personnel for these services
- Transition of any Help Desk responsibilities from Contractor to the State

The Contractor must have the ability to provide Help Desk Services for the following:

- **Contract Award through Project Implementation End Date + 6 months:** The Contractor must provide Tier 1 and Tier 2 help desk services for all State Users, Non-State Users, Vendors and Public-access users. Tier 3 level support services for all users will be shared with the State and dependent upon subject matter.
- **Optional Pricing scenarios:**
 - Project Implementation End Date + 9 Months: Extend the above support from 6 months to 9 months.
 - Project Implementation End Date + 12 Months: Extend the above support from 6 months to 12 months.
 - Contractor-only Help Desk Support: Contractor would continue providing the same Help Desk support as described above for the entire Contract term.
 - Joint Contractor/State Help Desk Support: The State would provide a contact center for Tier 1 and Tier 2 help desk services for State and Non-State Entity users. The Contractor would provide Tier 1 and Tier 2 help desk services for Suppliers and Public-access users and Tier 3 level support services for all users in conjunction with the State and dependent upon subject matter.

Bidders must include in their proposal a separate Responsibility Assignment Matrix (RACI) chart that depicts the Contractor and State Help desk responsibilities for each of the Help Desk Service options stated above.

The Contractor must establish the Help Desk service that can quickly scale up as the number of Solution users and vendors increases. The Help Desk must be fully equipped with an adequate number of trained, qualified live technicians, help desk tools and other elements to answer and respond to telephone calls, e-mails, chat sessions and other communications for all service impacting issues.

The Contractor Tier 1 and Tier 2 help desk will provide the first line of support and must respond to user needs, queries, issues and inquiries and to the extent possible, resolve them with limited involvement from the State. In general, the Contractor's Tier 1 and Tier 2 help desk staff must address common login/password, troubleshoot, "How to" scenarios and basic eProcurement Solution-related issues that do not require an intimate understanding of the eProcurement solution or State procurement law, rules, policies and procedures that drive the solution.

To the extent that the Contractor Tier 1 and Tier 2 help desk staff is unable to resolve questions or issues from the user community, the Contractor must provide Tier 3 help desk functions as a service to the Tier 1 and Tier 2 help desk. The Contractor's Tier 3 help desk support must be geared toward resolving more involved questions and issues regarding the eProcurement Solution or system use. The State will be responsible for providing Tier 3 help desk support to address questions and issues regarding procurement law, rules, policies and procedures associated with the eProcurement Solution.

The Contractor Tier 1 Help desk services must be provided Monday through Friday, 7:00 a.m. through 6:00 p.m. (Montpelier, Vermont local time), excluding State-observed holidays. The Contractor must establish and maintain a dedicated toll-free phone service and email for Help desk support to all users. The State may require that the email address be from a State domain.

To provide the required Help desk services, the Contractor must:

- a) Provide best-in-class customer service to the State and its users and maintain a continual effort at increasing the quality of customer service, which will be measured by the State-approved customer surveys and random audits by the State.
- b) Provide process expertise, assistance and guidance for Solution walkthroughs or specific transactional assistance and resolve issues where users are unable to utilize the Solution as designed and implemented. Provide the user with instructions and tools to quickly troubleshoot, diagnose, and resolve the issue.
- c) Respond and resolve incoming, reported and assigned issues and service requests in a manner that meets all applicable Service Levels.
- d) Use an appropriate, up-to-date, and fully-featured automated call-answering and call-routing system that has an automated phone tree system that is topic based and automatically routes callers to the appropriate place for support. The phone system will seamlessly route callers to State resources when necessary.
- e) Provide additional means to receive issue reports and service requests including, but not limited to, on-line chat and email as part of the Service.
- f) Utilize a logging system to record all issues and service requests received including, at a minimum, name, organization and issue. Multiple contacts for a single issue/request must be added to a master ticket. Issues/requests will be tracked in the system and standard reports will be provided to the State monthly to communicate, at a minimum, call volumes, common issues/requests and frequency, and other such metrics that will give insight to the State on system use, problems and potential actions that may be needed to make the system effective for users. Reporting will also include metrics on open/unresolved issues/requests with an 'aging' breakdown and sufficient details for the State to be able to assess impact of 'aging' issues/requests.

- g) Categorize and document the relative importance of each issue/request according to the severity levels as defined in Section 6.3.10.10 below. The State may request specific business and non-technical categories by solution component that will be used for logging and tracking issues.
- h) Generate an 'issue/request confirmation receipt email' to acknowledge to the end users that an issue/request has been received. The confirmation receipt email must include issue/request details including, but not limited to, the ticket number, description of the issue/request and reporting user details (e.g., name, telephone number, etc.).
- i) Implement measures to help avoid recurrence of issues, by performing root cause analysis and event correlation.
- j) Provide full life cycle management of all issues and service requests by employing and implementing procedures for proactive monitoring, logging, tracking, escalation, review, and reporting (historical and predictive) of issues to ensure consistent support to all customers.
- k) Maintain ownership of the issue/request until closure, including when issues/requests are escalated to the State for resolution, serving as the coordination point for all inquiries. Help desk analysts must follow-up with users, referral sources, etc., to ensure timely and complete solutions are provided to the user and recorded.
- l) With the State, implement a process that establishes end-to-end responsibility and ownership of issues/requests in a manner that helps reduce redundant contacts and helps eliminate the need for the users to describe the issue/requests multiple times to different Contractor personnel.
- m) Provide status updates as requested by users with regard to any particular help desk issue, service request or trouble ticket.
- n) In the event that the Tier 1 Help desk cannot for any reason address or otherwise resolve an issue, the Tier 1 help desk must escalate or assign tickets to the appropriate Tier 2/3 party, Contractor or State.
- o) Maintain a State contact list for escalation of Tier 2 and 3 issues referred to the State that cannot be resolved by the Tier 1 Help desk.
- p) Escalate issues appropriately within the Contractor's organization before such issues are routed to a State contact person.
- q) With the State, establish and implement specific 'procurement risk' escalation procedures to ensure that Help Desk staff can quickly recognize active procurement situations and route them quickly to the appropriate State Tier 3 resource.
- r) Implement an internal operational escalation and reporting procedure for unresolved issues/requests.
- s) Maintain a procedure for dealing with services that are not supported or for which support requirements are not known.
- t) Provide the State with "Read Only" access to the Contractor's help desk logging system and data pertaining to services provided to the State including issue tracking, reporting and any other State specific information.

Additionally, the Contractor must provide the following "Self-Service" functions for eProcurement Solution users:

- a) A secure way for users to obtain their User ID and reset passwords via a Web-based tool requiring no interaction with Help desk personnel (in accordance with State's Policies and Procedures including those relating to security);
- b) A Web-based knowledge database, the content of which will be maintained by Contractor, that will provide general "How-To" help for the use and execution of standard processes and

general “How-To” help for the use of State-specific elements of the Solution, including Vermont procurement standards, policies, processes and templates. Also, the State must have the ability to update and maintain State-specific content in the “How-To” database, as well as approve any State-specific content that the Contractor intends to use;

- c) A searchable frequently asked questions (FAQs) list, the content of which will be maintained by Contractor, that documents common issues and resolutions based on actual data gleaned from use of the Service. Also, the State must have the ability to provide State-specific content to the Contractor, as well as approve any State-specific content that the Contractor intends to use: and
- d) A Help Desk Website which will provide access to Help Desk contact information and instructions to on-line help (e.g. on-line chat), links to State-specific Help topics and information, and other self-help tools, and FAQs.

6.3.10.3 Vendor Catalog Support Services

The Contractor must provide services to manage and maintain the Catalog shopping environment inclusive of: integrations with online Consumer Shopping Services and external Vendor punch-out sites, on/off-boarding of participating Vendors, establishment of State internal sources of goods/services (e.g. Vermont Correctional Industries, Print Shop) and the overall management, maintenance and operations of the technical elements the shopping environment to comply with State operating, service levels and performance requirements.

6.3.10.4 Solution Optimization and Future Releases

The State expects the underlying technology associated with the Solution to be kept current during the full term of the Contract.

The Contractor must keep the State informed of all new releases of the Solution and identify new features and functionalities developed for other clients. If a new release contains new features and functionalities, the State reserves the right to enable or disable such features and functions as part of any separate Project-related enhancement service.

In addition, the Contractor must provide on-going future enhancements or configurations to meet any Federal or State legislative, statutory, and regulatory requirements. The State may also require the Contractor to create additional custom reports in the event State resources do not have the capability or understanding and leveraging the Contractor’s knowledge and expertise is more feasible. The State requests for any this work would be on an as needed basis therefore costs would be determined based on the Rate Card established within the State Contract.

6.3.10.5 Termination Assistance

Upon nearing the end of the final term of this Contract, and without respect to either the cause or time of such termination, the Contractor shall take all reasonable and prudent measures to facilitate transition to the State or a successor provider, to the extent required by the State. The Contractor agrees, after receipt of a notice of termination, and except as otherwise directed by the State, the Contractor shall:

1. Stop work under the Contract on the date, and to the extent, specified in the notice;
2. Immediately deliver to the State a backup of the database for restoration to the state’s server, historical project records in unlocked Microsoft Word format, and copies of all subcontracts and all third party contracts executed in connection with the performance of the Services;

3. Place no further orders or subcontracts for Services, except as may be necessary for completion of such portion of the work under the Contract that is not terminated as specified in writing by the State;
4. Assign, to the extent applicable or as the State may require, all subcontracts and all third party contracts executed in connection with the performance of the Services to the State or a successor provider, as the State may require;
5. Perform, as the State may require, such knowledge transfer and other services as are required to allow the Services to continue without interruption or adverse effect and to facilitate orderly migration and transfer of the services to the successor provider;
6. Complete performance of such part of the work as shall not have been terminated; and
7. Take such action as may be necessary, or as the State may direct, for the protection and preservation of the property related to this Contract which is in the possession of the Contractor and in which the State has or may acquire an interest and to transfer that property to the State or a successor provider.
8. Identify any dependencies on the new service provider necessary for the Contractor to perform the Termination Assistance.
9. Assist the State in the identification of significant potential risk factors relating to the transition.
10. Assist the State in designing plans and contingencies to help mitigate identified risks.
11. Submit a Termination Assistance Plan, for approval by the State, which includes a timeline for successfully completing the Termination Assistance.
12. Supply a schedule and plan for Contractor's return to the State of (i) the State service locations then occupied by Contractor (if any), and (ii) the State Confidential Information, the State Data, documents, records, files, tapes and disks in Contractor's possession.

The Contractor must provide a single point of contact who will be responsible for Contractor's overall performance of the Termination Assistance Services.

Bidders must indicate if any of the Termination Assistance Services are at an additional cost and identify those in Exhibit 2: Cost and Financing Proposal Workbook submission.

6.3.11 Service Level Agreements and Service Level Credits

The following sections describe the State of Vermont standard set of Service Level Agreements (SLA) and associated Service Level Credits. This information is provided as reference and Bidders are advised that the State will address these during the negotiation phase of this RFP.

This Section also describes the methodology for calculating Service Level credits that shall be made available by Contractor to State if Contractor fails to meet certain Service Level Agreements.

In the event the State (i) suffers Downtime Minutes or (ii) otherwise determines the Contractor has failed to meet a Service Level Metric, the State shall notify the Contractor and offset the applicable Service Level Credit from the next subsequent Contractor invoice.

Service Level requirements and details will be covered in the following sections:

- [Definitions](#)
- [Levels of Availability Summary Table](#)

- [Environments](#)
- [On-line Availability of Service](#)
- [Performance/Capacity](#)
- [Maintenance and Operations](#)
- [Real-Time Transaction Response Times \(RTRT\)](#)
- [Application Response Times \(ART\)](#)
- [Service Change Requests](#)
- [Incident Notification](#)
- [Out of Scope](#)
- [Response and Incident Notification Service Level Agreement Table](#)
- [Service Request](#)
- [Disaster Recovery \(DR\) and Backups](#)
- [Recovery Point Objective \(RPO\)/Recovery Time Objective \(RTO\)](#)

6.3.11.1 Definitions:

All Hours – means 24 hours x 7 days x 365 days

Availability – means the availability for use by intended individual users, Solution processes or interfacing/integrating systems of all features, functions, and processes of the Solution.

Downtime Minutes - means the sum of minutes of each Environment within this contract and within during the Measurement Period. Downtime Minutes excludes any and all minutes where the applicable Environment under the Contractor's responsibility was not Available due to: (1) actual time incurred for performance of Maintenance during a Maintenance Window, (2) Service Change or Change Order that result in the applicable Environment not being Available, (3) documented problems with the applicable Environment determined to be not within Contractor's Scope of responsibility, under Contractor's Problem Management Process, (4) periods of time attributable to State's failure to approve the installation of Contractor-recommended software patches or upgrades within one week of receipt of a Contractor-initiated Change Request, or (5) periods of time attributable to problems, issues, delays or slowness of the Internet or the User's network or equipment.

Emergency Downtime - means unplanned down time that results from an unanticipated emergency whereby the Contractor need to make some correction or fix to the Solution or Solution Infrastructure which makes the Solution unavailable.

Frequency of Measurement – means when and how often the SLA will be measured and calculated.

Maintenance Window – means a period of time that the Solution will be undergoing prescribed maintenance to support the system.

Measurement Period - means the monthly sum of per incident of suspected noncompliance as reported by the State to the Contractor using the Contractor ticketing system and solution system dashboard.

Restoration - The Incident is considered “restored” when impact has been removed by implementing a mutually agreed acceptable work around or by implementing a solution and that Contractor submits to the State for its agreement that the impact has been removed. The Service Level for the Incident is met if either a workaround or a solution is implemented prior to the corresponding restoration Service Level Metric. Once a work around or solution has been identified, the actual work needs to be implemented via the agreed upon Service Change Management process.

Restoration calculation – Restoration metric is calculated as the number of Incidents for Severity Level 1, Severity Level 2, and Severity Level 3 Incidents that are restored outside the agreed upon time for each priority during the applicable measurement period.

The time frame begins immediately upon the Contractor becoming aware of the Severity Level 1, Severity Level 2, or a Severity Level 3 Incident via the Contractor’s Ticketing System. Start time will be taken from the timestamp of the first update made by the Contractor resource within the ticketing system. If a Severity Level 2 is upgraded to a Severity Level 1 or a Severity Level 3 is upgraded to a Severity Level 2, the start time starts at the time of the upgrade, understanding the Service Level Metric will be for the higher Severity Level.

Restoration Time – The time period assigned for Severity Level 1, Severity Level 2, and Severity Level 3 Incident Service Level Metric. Severity Levels are defined in Section 6.3.10.10 below.

Restore - means that Contractor has done one of the following: (i) Correct the Incident to restore the Solution to normal functionality in conformity with the Requirements, (ii) Provide a Workaround, (iii) Correct a portion of the Incident to reduce the Severity Level.

Scheduled Availability - means 24 hours x 7 days x 365 days.

Scheduled Maintenance - means Solution maintenance described in written notice from Contractor at least five (5) days in advance that may require un-Availability that is performed within a Maintenance Window and in accordance with such notice from Contractor, and for which Contractor timely posts a notice of Scheduled Maintenance per agreed procedures and reports notice to SOV before posting.

Scheduled Maintenance Downtime -means any period of un-Availability for Scheduled Maintenance.

SLA – means Service Level Agreement.

SOV – State of Vermont.

Total Service Minutes - means the number of Minutes for each Environment within this contract and within the applicable Measurement Period.

Un-Availability –means the opposite of Availability.

Workaround - means a temporary fix that is reasonably acceptable to SOV and that does not resolve the underlying problem, but provides the proper results required of the Solution (through manual processing or otherwise).

6.3.11.2 Levels of Availability Summary Table

The following is a reference table illustrating the State's perspective of various Levels of Availability:

AVAILABILITY %	DOWNTIME PER YEAR	DOWNTIME PER MONTH	DOWNTIME PER WEEK
99.9% ("three nines")	8.76 hrs	43.2 min	10.1 min
99.95%	4.38 hrs	21.56 min	5.04 min
99.99% ("four nines")	52.56 min	4.32 min	1.01 min

6.3.11.3 Environments

Contractor will apply the SLAs set forth within this section to all Environments required to be provided by the Contractor.

6.3.11.4 On-line Availability of Service

On-line Availability of Service:	
Type	Service Level
Frequency of Measure	After Go Live Date
Description	This Service Level measures the percentage of time that the Solution under Contractor control as delivered into production and including all environments shall be available during the Total Service Minutes portion for each Reporting Period. Emergency Downtime does count against the On-line Availability SLA if notice of Downtime is not agreed upon in advance by the State.
Reporting Period:	The monthly sum of minutes of non-compliance.

On-line Availability of Service:	
Calculation	<p>Number of cumulative Total Service Minutes, excluding Regular, Planned, Approved Downtime, or Approved Emergency Downtime Minutes, divided by Total Service Minutes during the applicable Measurement Period with the result expressed as a percentage.</p> <p><i>Availability % = (Total Service Minutes per month – Downtime Minutes) / Total Service Minutes per month * 100</i></p> <p>5% of monthly charge for each percentage point below the contracted level of availability for the month</p> <p><i>For purposes of this SLA seconds will be rounded up to the nearest 0.5 of a second.</i></p>
Data Sources:	At the time of contract award the State shall identify the individual(s) who shall monitor and report to Contractor instances where an Environment does not meet the specified Availability service level using the contractor ticketing system. The State reserves the right to measure independently.
Service Level Metric for On-line Availability of the Environments	99.95% during State business hours (7:45AM-5:00PM Eastern Time), excluding weekends and State holidays and, otherwise, 99%.

6.3.11.5 Performance/ Capacity

Service Provider will monitor and meet the following performance/capacity requirements and take corrective action by adding capacity/bandwidth as required. These will be document by the Service Provider within the Capacity Plan:

- Servers CPU utilization is not to exceed 85%.
- Servers memory utilization is not to exceed 90%.
- Servers disk space utilization is not to exceed 80%.
- Wide Area Network (WAN) utilization is not to exceed 80%.
- Local Area Network (LAN) error rate percentage is not to exceed 0.01% for Inbound or Outbound traffic.
- Solution will support 400 concurrent internal users at peak time (6:00am - 6:00pm EST).
- Solution will support 100 concurrent internal users during Off-Peak hours (6:00pm - 6:00am EST).
- Solution support for external users is primarily website access therefore there should be no limit on Solution supporting concurrent external users at any given time, whether at peak time or during Off-Peak hours.
- Server capacity will support month end and year end processing capacity.
- Storage systems will have the capability to expand up to 20% in size per year.

6.3.11.6 **Maintenance and Operations**

Services will be delivered and managed remotely by the Service Provider, 24 hours a day, 7 days a week, 365 days a year. Services shall follow Vermont Nonfunctional Requirements, ITIL, and ITSM best practices.

Real-Time Transaction Response Times (RTRT):	
Type	Service Level
Frequency of Measure	After Go Live Date
Description	<p>The Maximum System response time during Real-Time Transaction Response Times (RTRT) will be 5 seconds or less for <i>search and lookup queries</i> (this does not include ad-hoc queries, reporting, and analytics) during normal SOV business hours of 7:00 AM to 5:00 PM local time. RTRT is defined as the time elapsed after depressing an ENTER key (or clicking on a button that submits the RTRT request for processing) until a response is received back on the same screen.</p> <p>The RTRT service level applies to workstations that meet Contractor's minimum specifications and utilize a one-hundred-megabit local area network connection on a gigabit Ethernet network backbone.</p> <p>Contractor shall not be held responsible for RTRT in cases where system operations are effected by events beyond Contractor's reasonable control as listed in the definition for "Downtime Minutes". The RTRT service level shall not apply to any file generation transactions, database generation transactions, report generation transactions, Electronic Form display transactions and/or document/image transfer transactions.</p>
Reporting Period	The monthly sum of per incident of non-compliance as reported by the State to the contractor using the contractor ticketing system and solution system dashboard
Calculation	<p>Number of per 0.5 seconds that the monthly average RTRT exceeds the maximum response time of 5 seconds.</p> <p>2.0% of monthly charge per 0.5 seconds that the monthly average RTRT exceeds the maximum response time.</p> <p><i>For purposes of this SLA seconds will be rounded up to the nearest 0.5 of a second.</i></p>
Data Sources	<p>At the time of contract award the State shall identify the individual(s) who shall report to Contractor any incidents where the RTRT service level is not met using the contractor ticketing system and solution system dashboard. Contractor shall provide real-time recording software to be downloaded on multiple devices to verify reported RTRT issues.</p> <p>The State reserves the right to measure independently.</p>

Real-Time Transaction Response Times (RTRT):	
Service Level Metric for Real Time Transaction Response Times	Average RTRT of 5 seconds or less

6.3.11.8 Application Response Times (ART)

Application Response Times:	
Type	Service Level
Frequency of Measure	After Go Live Date
Description	<p>The Maximum System response time for user interaction with the Application, which does <i>NOT</i> include RTRT (above), reporting-related, analytics, and ad-hoc transactions will be 1 second or less response time during normal business hours of 7:00 AM to 5:00 PM local time.</p> <p>Application Response Times (ART) is defined as the time elapsed after depressing an ENTER key (or clicking on a button that submits the screen for processing or navigation) until a response is received back on the same screen.</p> <p>The ART service level applies to workstations that meet Contractor's minimum specifications and utilize a one-hundred-megabit local area network connection on a gigabit Ethernet network backbone.</p> <p>Contractor shall not be held responsible for ART in cases where system operations are effected by events beyond Contractor's reasonable control. The ART service level shall not apply to any file generation transactions, database generation transactions, report generation transactions, Electronic Form display transactions and/or document/image transfer transactions.</p>
Reporting Period	The monthly sum of per incident of non-compliance as reported by the State to the contractor using the contractor ticketing system and solution system dashboard
Calculation	<p>Number of per 0.5 seconds that the monthly average response time exceeds the maximum response time of 1 second.</p> <p>2.0% of monthly charge per 0.5 seconds that the monthly ART average time exceeds the maximum response time.</p> <p><i>For purposes of this SLA seconds will be rounded up to the nearest 0.5 of a second.</i></p>

Application Response Times:	
Data Sources	At the time of contract award the State shall identify the individual(s) who shall report to Contractor any incidents where the ART service level is not met using the contractors ticketing system and solution system dashboard. Contractor shall provide real-time recording software to be downloaded on multiple devices to verify reported ART issues. The State reserves the right to measure independently.
Service Level Metric for Real Time Transaction Response Times	Average ART of 1 second or less

6.3.11.9 Service Change Requests

Service Provider will submit a Service Change Management Plan that conforms to the State's existing system change management processes.

It will include the following components:

- Integration plan with other processes (Incident, Problem, Release, Configuration, Knowledge).
- Scope of Service Change Management that is consistent and in agreement with the State's scope.
- Responsibility matrix (RACI).
- Procedures and work instructions on how Provider's staff will utilize the Service Change Management ticketing system to log, manage, track and close Request for Changes (RFCs).
- Utilization of Change Tasks to manage and track individual activities related to the change. Integration of these tasks with other HSEP providers is mandatory and the plan will be documented.
- Maintain transparency for all Service Changes in the system of record with the State and other Service Providers.

Service Provider will assess each proposed change for its business and technical risk based upon mutually agreed criteria and weighting with the State. Risks will be documented with the Service Change Management system of record through a request for change (RFC). The Change Risk level will trigger the level of assessment and approvals based upon the State requirements and existing processes. Service Provider will schedule and log RFCs against Service CIs within the Service Change Management system of record. These changes include, but are not limited to, modifications to infrastructure, applications, configurations, processes, policies, to minimize impact on the business.

Change Requests			
Type	Requirements Description	Attribute 1: Standard	Attribute 2: Percentage
Generic	The number of Requests successfully completed	within 3 business	95.0

Requests	within the specified timeframe divided by the total number of Requests.	days after request received	
Change Request Business Analysis - Urgent	Business requests that require assessment for costing, level of effort, staffing or analysis completed within 5 business days of request submission. The assessment shall be delivered to the state in a mutually agreed format.	within 5 business days	95.0
Change Request Business Analysis - Normal	Business requests that require assessment for costing, level of effort, staffing or analysis completed within 10 business days of request submission. The assessment shall be delivered to the state in a mutually agreed format.	within 10 business days	95.0

Stabilization Period - Each Stabilization Period will be seven calendar days in duration, commencing on the day that the Change is first made to the applicable Production Environment. The following changes will not require a Stabilization Period: The application of Maintenance Code Releases, including the application, mandatory operating system fixes or patches, mandatory operating system fixes or patches, changes to equipment or Infrastructure managed by Hosting Service Provider, database fixes or patches, system maintenance required to maintain levels of functionality or security that is neither requested by, nor caused by changes made by the State.

6.3.11.10 Incident Notification

Definitions:

Response and Initial Notification – Time between when the ticket is escalated to a Severity Level 1 or Severity Level 2 Incident (start time) and the initial notification is sent to the State (sent time)

Update Notification – Time between Initial Notification sent time and Update notification sent time

Incident - means any malfunction or defect that causes or is likely to cause or result in the Solution to fail to conform to the Requirements.

Incident start time - will be calculated when the ticket is categorized or reported as a Severity Level 2 / Severity Level 1

Response Notification - the time period allowed for the Response and Initial Notification for Severity Level 1 and 2 Incident Service Level Metrics

Severity Level 1 Incident - means an Incident that is characterized by the following attributes: the Incident (a) renders a the Contractor provided Solution un-Available, substantially un-Available or seriously impacts normal business operations, in each case prohibiting the execution of productive work, and (b) affects either (i) a group or groups of people, or (ii) a single individual performing a critical business function.

Severity Level 2 Incident - means an Incident that is characterized by the following attributes: the Incident (a) does not render the Contractor provided Solution un-Available or substantially un-Available, but a function or functions are not Available, substantially Available or functioning as they should, in each case prohibiting the execution of productive work, and (b) affects either (i) a group or groups of people, or (ii) a single individual performing a critical business function.

Severity Level 3 Incident - means an Incident that is characterized by the following attributes: the Incident causes a group or individual to experience an Incident with accessing the Contractor provided Solution or a key feature thereof and a reasonable workaround is not available, but does not prohibit the execution of productive work.

6.3.11.11 Out of Scope

To the extent Incidents are related or caused by system or parties outside the scope of Contractor's responsibility, or caused by third parties outside the scope of this Contract, the information within the notification will depend on the information available to the Contractor. Contractor shall still communicate per Incident Notification.

Response and Incident Notification Service Level Agreement: Severity Level 1 and 2 Incidents	
Type	Service Level
Commencement	Go Live Date
Description	This Service Level measures the occurrence of any Severity Level 1 and 2 Incidents for which the Response and Initial Notifications, with respect to any individual Incident, exceeds the timelines stated below.
Reporting Period	The monthly sum of per incident of suspected noncompliance as reported by the State to the contractor using the contractor ticketing system and solution system dashboard
Data Sources	Contractor's will review SOV reports of non-compliance and will utilize Contractor's service ticket tracking system to verify non-compliance.
Service Level Metric	<p>For Incidents occurring within the Scope of Contractor's responsibility:</p> <p>Severity Level 1 Incident Response and Initial Notification shall occur within 1 hour from the time the incident <u>is escalated to Severity Level 1</u>.</p> <p>Severity Level 2 Incident Response and Initial Notification shall occur within 1 hour from the time the incident <u>is escalated to Severity Level 2</u>.</p> <p>Severity Level 3 Incident Response and Initial Notification shall occur within 2 hours from the time the incident <u>reported</u>.</p> <p>For Severity 1 and Severity 2 Incidents that extend for multiple days, update notification intervals shall follow a mutually agreed upon schedule between State and the Contractor</p>
Service Level Credit	1% of the monthly Fee invoiced for the month in which the Service Level default occurred for each Severity Level 1/ Severity Level 2 for which the Incident Notification Service Level Metric was not met, with a maximum of 3% of Fees per calendar month.

6.3.11.13 Service Request

Service Request	
Type	Service Level
Commencement	Go Live Date
Type	Service Level
Description	This Service Level measures the time it takes to fulfill the standard requests listed within this table. The measurement shall begin once the request has been submitted, using an agreed upon request vehicle, until the request has been fulfilled as agreed upon by State.
Service Level Metrics	
Firewall Changes	5 Business days
Modifying an existing VM (e.g. CPU, Memory, Storage)	5 days
Standing up a new environment	Based upon agreement, scope and schedule
Restore a file, file system, directory or folder, including records, and documents (non-Incident related):	4 hours from onsite backup 4 Business days from off-site backup
Restoration of State Archived Data	1 week
Service Level Credit	3.0% of the monthly Fee invoiced for the month for each occurrence in which the Service Level default occurred for which a Service exceeds the applicable Service Level Metric, with a maximum of 10% of Monthly Fees for Service Requests.

6.3.11.14 Disaster Recovery (DR) and Backups

Full backups of the State's Environments will be taken weekly with incremental backups taken daily with data stored offsite for the required retention period, to be specified by the State. Service Providers will inform the State within 24 hours of the State's Application service becoming unavailable. The State will make the decision to declare a Disaster. Please refer to the State and Service Provider Business Continuity Plan. Within seven days from the time a

Disaster is declared by the State, the Hosting Service Provider will deliver to the State's address and contact person specified, a backup containing the database, code tree and archive logs that resided on the Production Environment at the time that Hosting Service Provider created such backup.

Event	RTO	RPO
Host Failure	5-10 min	0 min
Data Center Failure	1-2 hrs	15 mins
DR From D2D Backup	6-8 hrs	24 hrs

6.3.11.15 Recovery Point Objective (RPO)/Recovery Time Objective (RTO)

Event	RTO SLA	RPO SLA	Service Level Credit (SLC)	SLC Calculation	Example
Host Failure	10 min.	0 min.	10% fixed monthly fee per incident per day Not to exceed 15% per month. Incident is SLA + 1 minute.	10% fixed monthly fee * incident * 1day	<i>If a Host Failure was restored in 11 minutes and RTO SLC of 10% of monthly fee would be accrued.</i> <i>If the Host Failure lead to the loss of 1 minutes' worth of data then a SLC of 10% of monthly fee would be accrued.</i>
Data Center Failure	2 hrs.	15 mins	10% fixed monthly fee per incident per day Not to exceed 15% per month. Incident is SLA + 1 minute.	10% fixed monthly fee * incident * 1day	<i>If a Data Center Failure was restored in 2 hours and 1 minute and RTO SLC of 10% fixed monthly fee would be accrued.</i> <i>If the Data Center Failure lead to the loss of 16 minutes' worth of data then a SLC of 10% fixed monthly fee would be accrued.</i>

Event	RTO SLA	RPO SLA	Service Level Credit (SLC)	SLC Calculation	Example
DR From D2D Backup	6-8 hrs.	24 hrs.	10% fixed monthly fee per incident per day Not to exceed 15% per month. Incident is SLA + 1 minute.	10% fixed monthly fee * incident * 1day	<i>If a Data Center Failure occurred requiring a "DR From D2D Backup" which restored in 8 hours and 1 minute and RTO SLC of 10% fixed monthly fee would be accrued.</i> <i>If a Data Center Failure occurred requiring a "DR From D2D Backup" lead to the loss of 24 hours and 1 minute's worth of data then a SLC of 10% fixed monthly fee would be accrued.</i>

6.3.12 Documentation:

Contractor shall provide the State with all documentation, including all information, data, descriptive materials, software source code annotations and documentation in accordance with such programming and coding documentation standards applicable to high quality entities that develop, publish, license, maintain and support software generally, all approved specifications, service level descriptions and details, any and all descriptions and specifications of the requirements hereunder or created or developed hereunder, operational, functional and supervisory reference guides, manuals and all other information which is developed, prepared, used or otherwise available from Contractor, in connection with and applicable to the provision, use, operation and support of the [applicable solution]. Documentation shall be sufficient to enable the State to understand, operate, use, access, support, maintain, update and modify the [applicable solution]. Documentation shall also include all standards applicable to the [applicable solution].

At a minimum, the Documentation to be provided will be in electronic format and includes:

- All commercial documentation for software provided by the contractor.
- Documentation for Solution updates through new documentation versions.
- End User Manuals that are separate manuals for each component of the Solution and include "cheat sheets" which can be used for easy reference by users.
- Configuration Manuals that are separate documents for each component of the Solution and provide a full description and instructions on enabling the component.
- Operational Procedures that include all operational areas that are the responsibility of the state, separate documents for each component that provides a full description of the operational tasks and instructions on their execution.
- Security Administration Guide - In order to delegate selected security maintenance tasks and responsibilities to a restricted number of agency employees, the contractor must develop a comprehensive security guide. The contractor must prepare a guide that combines general

reference information with agency specific procedures to assist security administrators in performing their duties.

- Technical documentation - The contractor must produce complete solution documentation that documents the application software and its architecture as it is implemented for the State (e.g., application architecture, installation, configuration, workflow development, operations, backup and recovery, diagnostics and security, Internet access requirements) for all COTS and third party software products implemented. In all instances, technical documentation shall reflect the final, as implemented, version of the solution.

Each Solution manual must be a complete guide regarding the performance of all activities associated with a particular function. The manuals must progressively describe, in narrative fashion, each step involved in performing the activities. The manual for each function must be organized by discrete activity and shall contain a comprehensive table of contents and a comprehensive index to direct readers to proper procedures for each activity. Electronic documentation addressing the configuration and use of the Solution at no additional cost.

7. ADDITIONAL VALUE-ADDED FEATURES OR SERVICES

Bidders should include in their proposal detailed information on any additional functionality, products, services or updates that are not contemplated in the Scope of Work or the requirements of this RFP. Responses must also identify the benefits and outcomes the State would realize. Bidders must indicate if any of these are at an additional cost and identify those in Exhibit 2: Cost and Financing Proposal Workbook submission.

8. DEPENDENCIES AND CONSTRAINTS

The State's financial management system is undergoing an extensive expansion and upgrade. The application is PeopleSoft. GO LIVE for the expansion and upgrade is scheduled for December 2018. Bidders will be expected to integrate their solution into PeopleSoft v9.2. at a time to be determined after the upgrade is completed.

Bidder's solutions architects will need to collaborate with State's technology architects to design points of interoperability prior to the completion of the State's expansion and upgrade project.

9. BID PREPARATION

9.1 SINGLE POINT OF CONTACT

All communications concerning this RFP are to be addressed in writing to the State Contact listed on the front page of this RFP. Actual or attempted contact with any other individual from the State concerning this RFP is strictly prohibited and may result in disqualification.

9.2 QUESTION AND ANSWER PERIOD

Any Vendor requiring clarification of any section of this RFP or wishing to comment or take exception to any requirements of the RFP must submit specific questions in writing no later than the deadline for question indicated on the first page of this RFP. **Questions must be provided in a specific format with a reference to the specific section of the RFP the question relates to and may be emailed to the point of contact on the front page of this RFP.** Any comments, questions, or exceptions not raised in writing on or before the last day of the question period are waived. At the close of the question period a copy of all questions or comments and the State's responses will be posted on the State's web site <http://bgs.vermont.gov/content/it-rfp-eprocurement-solution-and-implementation-services> . Every effort will be made to post this information as soon as possible after the question period ends, contingent on the number and complexity of the questions.

9.3 REQUIRED CONTENT AND FORMAT FOR BID SUBMISSION

Proposals submitted for this RFP should include the following and nothing additional:

- Required number of copies
- A Cover Letter
- If applicable, a redacted copy of the response for portions that are considered proprietary and confidential.
- Certificate of Compliance (Reference Exhibit A)
- Bidder Response Form and Attachments (Reference Exhibit C)

9.3.1 Number of Copies. Submit an unbound original (clearly marked as such) and six (6) paper copies and one digitally searchable PDF file containing all components of the bid.

9.3.2 The Cover Letter

Please provide an introduction to your company and proposal via a cover letter. All bids submitted to the State are considered public records. Please note in your cover letter if any information in your proposal is considered proprietary and confidential.

- a. **Confidentiality.** To the extent your bid contains information you consider to be proprietary and confidential, you must comply with the following requirements concerning the contents of your cover letter and the submission of a redacted copy of your bid (or affected portions thereof).
- b. The successful response will become part of the contract file and will become a matter of public record, as will all other responses received. If the response includes material that is considered by the bidder to be proprietary and confidential under the State's Public Records Act, 1 V.S.A. § 315 et seq., the bidder shall submit a cover letter that clearly identifies each page or section of the response that it believes is proprietary and confidential. The bidder shall also provide in their cover letter a written explanation *for each marked section* explaining why such material should be

considered exempt from public disclosure in the event of a public records request, pursuant to 1 V.S.A. § 317(c), including the prospective harm to the competitive position of the bidder if the identified material were to be released. Additionally, the bidder must include a redacted copy of its response for portions that are considered proprietary and confidential. Redactions must be limited so that the reviewer may understand the nature of the information being withheld. It is typically inappropriate to redact entire pages, or to redact the titles/captions of tables and figures. Under no circumstances can the entire response be marked confidential, and the State reserves the right to disqualify responses so marked.

9.3.3 Certificate of Compliance (Exhibit A)

This form must be completed and submitted as part of the response for the proposal to be considered valid.

9.3.4 State of Vermont Bidder Response Form (Exhibit C)

This form must be completed and submitted as part of the response for the proposal to be considered valid. The State of Vermont Bidder Response Form provides a standard format and content for Vendor proposals. The Bidder Response Form includes questions and requests for information on the following:

- Your Vendor Profile, which includes three (3) references;
- The Proposed Solution;
- The ability of your Proposed Solution to meet the State's Functional and Non-Functional Requirements, which are listed within the Bidder Response Form;
- Your Implementation and Project Management approach and deliverables;
- The Technical Services and deliverables included in your proposal;
- Your Maintenance and Support services and service levels;
- Your Pricing for Implementation plus ten (10) years of Maintenance and Support costs; and
- Any exceptions your company may have to the Terms and Conditions outlined in the RFP and/or any of the RFP attachments.

In addition to completing the State of Vermont Bidder Response Form, the State requires Vendors responding to this RFP to provide the following eight (8) attachments that are described within the Bidder Response Form:

- 1) A Financial Statement (and a confidentiality statement if, the financial information is considered non-public). Label it Attachment #1.
- 2) Road Maps that outline the company's short expected upgrade timeframe for each module of the proposed solution/software and the overall long term goals for the proposed solution/software. Label it Attachment #2.
- 3) A PowerPoint that provides an Executive level summary of your proposal. Label it Attachment #3.

- 4) A proposed implementation strategy/approach as described in RFP Section 6.3.1 and a proposed list of project phases, tasks, major milestones and an implementation time-line. Label it Attachment #4.
- 5) A resume for the Project Manager you would offer for this engagement. Label it Attachment #5.
- 6) Your typical implementation plan. Label it Attachment #6.
- 7) Resumes for all resources that you would offer for this engagement. Label it Attachment #7.
- 8) A copy of your Service Level Agreement (SLA). Label it Attachment #8.

10. **BID SUBMISSION**

- 10.1 CLOSING DATE:** Bids must be received by the due date and at the location specified on the front page of this RFP.
- 10.2 THE BID OPENING** will be held at 109 State Street, 3rd floor, Montpelier, VT and is open to the public.
- 10.3 SECURITY PROCEDURES:** Please be advised extra time will be needed when visiting and/or delivering information to 109 State Street. All individuals visiting 109 State Street must present a valid government issued photo id when entering the facility.
- 10.4 SEALED BID INSTRUCTIONS:** All bids must be sealed and must be addressed to the State of Vermont, Office of Purchasing & Contracting, 109 State street – 3rd floor, Montpelier, VT 05609-3001. Bid envelopes must be clearly marked 'sealed bid' and show the requisition number and/or proposal title, opening date and name of bidder.
- 10.4.1** All bidders are hereby notified that sealed bids must be received and time stamped by the Office of Purchasing & Contracting located at 109 State Street – 3rd Floor, Montpelier, VT 05609-3001 - by the time of the bid opening. Bids not in possession of the Office of Purchasing & Contracting at the time of the bid opening will be returned to the Vendor, and will not be considered. Any delay deemed caused by Security Procedures will be at the Bidder's own risk.
- 10.4.2** Office of Purchasing & Contracting may, for cause, change the date and/or time of bid openings or issue an addendum. If a change is made, the State will make a reasonable effort to inform all bidders by posting at: <http://bgs.vermont.gov/content/it-rfp-eprocurement-solution-and-implementation-services>
- 10.4.3** All bids will be publicly opened. Typically, the Office of Purchasing & Contracting will open the bid, read the name and address of the bidder, and read the bid amount. However, the Office of Purchasing & Contracting reserves the right to limit the information disclosed at the bid opening to the name and address of the bidder when, in its sole discretion, the Office of Purchasing & Contracting determines that the nature, type, or size of the bid is such that the Office of Purchasing & Contracting cannot immediately (at the opening) determine that the bids are in compliance with the RFP. As such, there will be cases in which the bid amount will not be read at the bid opening. Bid openings are open to members of the public. Bid results are a public record however, the bid results are exempt from disclosure to the public until the award has been made and the contract is executed.
- 10.5 DELIVERY METHODS:**
- 10.5.1** Security Procedures: Note that security procedures concerning delivery of any mail or parcels to 109 State Street may delay receipt of mail/parcel pieces by one business day.
- 10.5.2** U.S. Mail: Bidders are cautioned that it is their responsibility to originate the mailing of bids in sufficient time to ensure bids are received and time stamped by the Office of Purchasing & Contracting prior to the time of the bid opening.
- 10.5.3** Express Delivery: If bids are being sent via an express delivery service, be certain that the RFP designation is clearly shown on the outside of the delivery envelope or box. Express delivery packages will

not be considered received by the State until the express delivery package has been received and time stamped by the Office of Purchasing & Contracting. Due to security procedures, express deliveries must be received by 10:30 AM in order to be received by the Office of Purchasing & Contracting that same day.

10.5.4 Hand Delivery: Hand carried bids shall be delivered to a representative of the Office of Purchasing & Contracting prior to the bid opening.

10.5.5 Electronic: Electronic bids will / will not be accepted.

10.5.6 Fax Bids: Faxed bids will not be accepted.

10.6 BID SUBMISSION CHECKLIST

- ✓ Required Number of Copies
- ✓ Cover Letter
- ✓ Signed Certificate of Compliance (Exhibit A)
- ✓ State of Vermont Bidder Response Form and Attachments (Exhibit C)
 - A Financial Statement (and a confidentiality statement if, the financial information is considered non-public) labeled Attachment #1.
 - A Road Map labeled Attachment #2.
 - Executive PowerPoint labeled Attachment #3.
 - A proposed list of project phases, tasks and an implementation time-line labeled Attachment #4.
 - Project Manager resume labeled Attachment #5.
 - An Implementation plan labeled Attachment #6.
 - Technical Resource Resumes labeled Attachment #7.
 - Your Service Level Agreement (SLA) labeled Attachment #8.

11. BID EVALUATION AND SELECTION

11.1 **WORKER CLASSIFICATION COMPLIANCE REQUIREMENTS:** IN ACCORDANCE WITH SECTION 32 OF THE VERMONT RECOVERY AND REINVESTMENT ACT OF 2009 (ACT NO. 54), BIDDERS MUST COMPLY WITH THE FOLLOWING PROVISIONS AND REQUIREMENTS.

11.1.1 Self-Reporting: For bid amounts exceeding \$250,000.00, Bidder shall complete the appropriate section in the attached Certificate of Compliance for purposes of self-reporting information relating to past violations, convictions, suspensions, and any other information related to past performance relative to coding and classification of workers. The State is requiring information on any violations that occurred in the previous 12 months.

11.1.2 Subcontractor Reporting: For bid amounts exceeding \$250,000.00, Bidders are hereby notified that upon award of contract, and prior to contract execution, the State shall be provided with a list of all proposed subcontractors and subcontractors' subcontractors, together with the identity of those subcontractors' workers compensation insurance providers, and additional required or requested information, as applicable, in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54). This requirement does not apply to subcontractors providing supplies only and no labor to the overall contract or project. This list **MUST** be updated and provided to the State as additional subcontractors are hired. A sample form is available online Section – Standard RFP Attachments - <http://bgs.vermont.gov/content/>. The subcontractor reporting form is not required to be submitted with the bid response (Reference Exhibit B).

11.2 **EXECUTIVE ORDER 05-16: CLIMATE CHANGE CONSIDERATIONS IN STATE PROCUREMENTS**

For bid amounts exceeding \$25,000.00 Bidders are requested to complete the Climate Change Considerations in State Procurements Certification, which is included in the Certificate of Compliance for this RFP.

After consideration of all relevant factors, a bidder that demonstrates business practices that promote clean energy and address climate change as identified in the Certification, shall be given favorable consideration in the competitive bidding process. Such favorable consideration shall be consistent with and not supersede any preference given to resident bidders of the State and/or products raised or manufactured in the State, as explained in the Method of Award section. But, such favorable consideration shall not be employed if prohibited by law or other relevant authority or agreement.

11.3 **METHOD OF AWARD**

Awards will be made in the best interest of the State. The State may award one or more contracts and reserves the right to make additional awards to other compliant bidders at any time if such award is deemed to be in the best interest of the State. All other considerations being equal, preference will be given first to resident bidders of the state and/or to products raised or manufactured in the state, and then to bidders who have practices that promote clean energy and address climate change, as identified in the applicable Certificate of Compliance.

11.4 **EVALUATION CRITERIA**

The State shall have the authority to evaluate Responses and select the Bidder(s) determined to be in the best interest of the State and consistent with the goals and performance requirements outlined in this RFP.

Consideration shall be given to the Bidder's project approach and methodology, qualifications and experience, ability to provide the services within the defined timeline, cost, and/or success in completing similar projects, as applicable, and to the extent specified below. In general, bids are awarded based on "the best interest of the State of Vermont".

Evaluation Factors	Total Points for This Factor
Vendor Profile: Experience, Financial Strength, References (Bidder Response Form Part 1)	10
Vendor Proposal/Solution and ability to meet the State's Functional and Non-Functional Requirements (Bidder Response Form Part 2-4)	40
Professional Implementation Services: Project Management and Technical services (Bidder Response Form Part 5 and 6)	15
Maintenance and Support Services (Bidder Response Form Part 7)	15
Pricing , includes licensing, maintenance and warranty (Bidder Response Form Part 8)	Solution Pricing - 35 Hourly Pricing - 5
Vendor Demonstration	5
Acceptance of State Terms and Conditions	Pass/Fail
Adherence to Mandatory Bidding Requirements	Pass/Fail

- If the RFP required a minimum amount of experience or qualifications, the State will award no points for meeting the minimum. The State will award points for experience and qualifications that exceed the stated minimums.
- The State will not consider any prompt payment discounts terms proposed by the bidder in evaluating cost. The lowest cost proposal will receive the maximum number of points allocated to cost. The State will evaluate the point allocations for cost according to the method set forth in the RFP.
- **Hourly Rate Card:** The cost evaluation of required pricing shall include the hourly rate(s) provided by the bidder in response to Exhibit 2: Cost and Financing Proposal Workbook. The cost evaluation for Hourly Rate Card costs (5 points maximum) shall assume, for evaluation purposes only, 100 hours of Hourly Rate Card work to be performed during each year of the original contract period and each year of the renewal periods. If the bidder is providing multiple Hourly Rate Card job classifications/per-hour rates as indicated on the Hourly Rate Card worksheet of Exhibit 2, then the rates shall be averaged to obtain a single rate to be used in the cost analysis. At the sole determination of the State, any non-relevant/non-essential consultant classification(s) listed in Exhibit 2 shall not be included in the average calculations. Hourly Rate Card cost evaluation points shall be determined from the result of the calculation stated above using the following formula:

Lowest Responsive Bidder's Price	X	5 maximum	=	Cost evaluation points
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Compared Bidder's Price		cost points		
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Bidders are advised that the Hourly Rate Card hours assumption used for the cost calculation are estimated averages. The bidder shall agree and understand that the quantities used in the evaluation of cost are provided solely to document how cost will be evaluated. The State of Vermont makes no guarantee regarding the accuracy of the quantities stated nor does the State of Vermont intend to imply that the figures used for the cost evaluation in any way reflect actual or anticipated usage.

11.5 DEMONSTRATION

An in-person or webinar demonstration by the Vendor may be required by the State if it will help the State's evaluation process. The State will factor information presented during demonstrations into the evaluation. Vendors will be responsible for all costs associated with providing the demonstration. The State of Vermont reserves the right to only conduct demonstrations and question and answer conferences with Bidders that meet the minimum qualification requirements and/or have not been eliminated from consideration during the evaluation process. The demonstration should be constructed to clarify both the functional capabilities and the offeror's response. All arrangements and scheduling regarding the demonstration and question and answer conference's date, time, and location shall be coordinated by the Office of Purchasing & Contracting. In the event demonstrations and question and answer conferences are conducted, the following shall apply:

- 11.5.1 The demonstration and question and answer conference shall be conducted at no cost to the State of Vermont; therefore, no compensation shall be made to the bidder regarding participation in the demonstration and question and answer conference. The bidder shall have the right to decline to participate in the demonstration and question and answer conference; however, information gained during the demonstration and question and answer conference will be considered in the evaluation.
- 11.5.2 The bidder should demonstrate the functionality and features of the proposed solution. The State may, at its option, request that a bidder demonstrate any function, product, or solution capability included in the bidder's proposal.
- 11.5.3 The dates for the demonstrations and question and answer conference will be determined by the State.
- 11.5.4 If requested and conducted, the demonstration and question and answer conference may be limited to three hours. It is the obligation of the bidder to effectively manage their demonstration and question and answer conference time.
- 11.5.5 The State of Vermont reserves the right to use information attained from the bidder's demonstration and question and answer conference in the evaluation of Experience of Organization and Expertise of Personnel, and Functional/Technical Capabilities and Method of Performance, depending upon the applicability of the information attained.

11.6 BEST AND FINAL OFFER

- 11.6.1 Best and Final Offer (BAFO). At any time after submission of Responses and prior to the final selection of Bidder(s) for Contract negotiation or execution, the State may invite Bidder(s) to provide a BAFO.
- 11.6.2 The state reserves the right to request BAFOs from only those Bidders that meet the minimum qualification requirements and/or have not been eliminated from consideration during the evaluation process.
- 11.6.3 Evaluation of Responses and Selection of Bidder(s). The State shall have the authority to evaluate Responses and select the Bidder(s) as may be determined to be in the best interest of the State and consistent with the goals and performance requirements outlined in this RFP.

11.7 CONTRACT NEGOTIATION

Upon completion of the evaluation process, the State may select one or more Vendors with which to negotiate a contract, based on the evaluation findings and other criteria deemed relevant for ensuring that the decision made is in the best interest of the State. In the event the State is successful in negotiating with a Vendor, the State will issue a notice of award. In the event State is not successful in negotiating a contract with a selected Vendor, the State reserves the option of negotiating with another Vendor, or to end the proposal process entirely.

11.8 INDEPENDENT REVIEW

Per Vermont statute 3 V.S.A. 2222, The Secretary of Administration shall obtain independent expert review of any recommendation for any information technology initiated after July 1, 1996, as information technology activity is defined by subdivision (a)(10), when its total cost is \$1,000,000 or greater or when

required by the State Chief Information Officer. Documentation of this independent review shall be included when plans are submitted for review pursuant to subdivisions (a)(9) and (10) of this section. The independent review shall include:

- An acquisition cost assessment
- A technology architecture review
- An implementation plan assessment
- A cost analysis and model for benefit analysis
- A procurement negotiation advisory services contract
- An impact analysis on net operating costs for the agency carrying out the activity

12. GENERAL TERMS AND CONDITIONS

- 12.1 STATEMENT OF RIGHTS:** The State of Vermont reserves the right to obtain clarification or additional information necessary to properly evaluate a proposal. Vendors may be asked to give a verbal presentation of their proposal after submission. Failure of vendor to respond to a request for additional information or clarification could result in rejection of that Vendor's proposal. To secure a project that is deemed to be in the best interest of the State, the State reserves the right to accept or reject any and all bids, in whole or in part, with or without cause, and to waive technicalities in submissions. The State also reserves the right to make purchases outside of the awarded contracts where it is deemed in the best interest of the state.
- 12.2 PRICING:** Bidders must price the terms of this solicitation at their best pricing. Any and all costs that Bidder wishes the State to consider must be submitted for consideration. If applicable, all equipment pricing is to include F.O.B. delivery to the ordering facility. No request for extra delivery cost will be honored. All equipment shall be delivered assembled, serviced, and ready for immediate use, unless otherwise requested by the State.
- 12.2.1** The proposal must be fixed cost, inclusive of expenses, for specific deliverables. The State generally doesn't enter into time and material contracts.
- 12.2.2** Prices and/or rates shall remain firm for the initial term of the contract. The pricing policy submitted by Bidder must (i) be clearly structured, accountable, and auditable and (ii) cover the full spectrum of materials and/or services required. If the project contemplates doing additional work with the Vendor for additions to the solutions or addition of new users, state the hourly rates for future work for key types of positions, i.e., Data Base Programmer, Systems Developer, Trainer, etc.
- 12.2.3** Cooperative Agreements. Bidders that have been awarded similar contracts through a competitive bidding process with another state and/or cooperative are welcome to submit the pricing in response to this solicitation.
- 12.2.4** Retainage. The State shall hold back a minimum of 10% of each deliverable payment as retainage in the resulting contract from this RFP. Upon successful completion and acceptance of all deliverables, all retainage held by the State will be paid to the Contractor in full, subject to the terms and conditions of the Contract.
- 12.3 CONTRACTING WITH THE STATE OF VERMONT:** The selected Bidder(s) will be expected to sign a contract with the State according to the form prescribed by the standard State contract form and its associated attachments which is attached to this RFP as Exhibit D. The contract will obligate the Bidder to provide the services and/or products identified in its bid, at the prices listed.
- 12.3.1** Invoicing: The bidder's proposal must clearly specify the address for submitting payments. All payments are to be based on State of Vermont's acceptance of agreed to, fixed price deliverables or time and materials terms, as the case may be.
- 12.3.2** Vendors planning to submit a bid are advised of the following:
1. The State expects the Vendor and its legal counsel to carefully review and be prepared to be bound by the **Attachment C: Standard State Provisions for Contracts and Grants** outlined in Exhibit D.

2. The contract is subject to review and approval by the Attorney General, the Department of Information and Innovation and the Secretary of Administration. The terms and conditions of a Vendor's software license, maintenance support agreement and service level agreement, if applicable, will be required for purposes of contract negotiations for this project. Failure to provide the applicable Vendor terms as part of the RFP response may result in rejection of the Vendor's proposal.
3. The State has no legal authority to indemnify a Vendor and this condition is not negotiable. Further, all contract terms and conditions, including a Vendor license will be subject to the laws of the State of Vermont and any action or proceeding brought by either the State or a Contractor in connection with a Contract shall be brought and enforced in the Superior Court of the State of Vermont, Civil Division, Washington Unit. Vendors who are not able to enter into a contract under these conditions should not submit a bid.
4. Contractors will be expected to make the representations and warranties set forth in the State Contract Terms.

12.4 NON-DISCLOSURE AGREEMENT

The successful bidder may be required to complete a non-disclosure agreement in a form acceptable to the State.

12.5 CONTRACT TERM

Contract Period: **Contracts arising from this RFP will be for a period of five (5) years with an option to renew for up to five additional twelve-month periods. The State anticipates the start date will be April 2018.**

Bidders should note that the solution implementation period is included within the initial Contract Period and that Contractor operational support responsibilities will begin with the initial release of any Solution functionality into the Production environment.

The Vendor should guarantee its rate offerings, over the term of the contract, are comparable to other customers of similar size and requirements. If offerings are rendered to a comparable customer which improve the pricing agreed to in the contract, the Vendor agrees to apply those same discounts and offerings to the State of Vermont.

12.6 SPECIFICATION CHANGE

Any changes or variations in the requirements or specifications set forth in this RFP will result in the issuance of an Addendum to this RFP in writing from the Office of Purchasing & Contracting. Verbal instructions or written instructions from any other source are not to be considered.

12.7 BUSINESS REGISTRATION

To be awarded a contract by the State of Vermont a Vendor (except an individual doing business in his/her own name) must be registered with the Vermont Secretary of State's office <http://www.sec.state.vt.us/tutor/dobiz/forms/fcregist.htm> and must obtain a Contractor's Business Account Number issued by the Vermont Department of Taxes <http://tax.vermont.gov/>.

12.8 QUALITY

If applicable, all products provided under a contract with the State will be new and unused, unless otherwise stated. Factory seconds or remanufactured products will not be accepted unless specifically requested by the purchasing agency. All products provided by the contractor must meet all federal, state, and local standards for quality and safety requirements. Products not meeting these standards will be deemed unacceptable and returned to the contractor for credit at no charge to the State.

12.9 COSTS OF PREPARATION

The Vendor shall be solely responsible for all expenses incurred in the preparation of a response to this RFP and shall be responsible for all expenses associated with any presentations or demonstrations associated with this request and/or any proposals made.

12.10 EXHIBITS INCLUDED WITH THIS RFP:

Exhibit A: Certificate of Compliance

Exhibit B: Subcontractor Reporting Form

Exhibit C: State of Vermont Bidder Response Form

Exhibit D: State of Vermont Standard Contract for Information Technology Services and its associated Attachments

- Attachment A: Statement of Work
- Attachment B: Payment Provisions
- Attachment C: Standard State Provisions for Contracts and Grants
- Attachment D: Other Terms and Conditions for Information Technology Contracts
- Attachment F: Agency of Human Services' Customary Contract/Grant Provisions

Exhibit E: Requirements Traceability Matrix (RTM)

EXHIBIT A**CERTIFICATE OF COMPLIANCE**

For a bid to be considered valid, this form must be completed in its entirety, executed by a duly authorized representative of the bidder, and submitted as part of the response to the proposal.

- A. **NON COLLUSION:** Bidder hereby certifies that the prices quoted have been arrived at without collusion and that no prior information concerning these prices has been received from or given to a competitive company. If there is sufficient evidence to warrant investigation of the bid/contract process by the Office of the Attorney General, bidder understands that this paragraph might be used as a basis for litigation.
- B. **CONTRACT TERMS:** Bidder hereby acknowledges that it has read, understands and agrees to the terms of this RFP, including Attachment C: Standard State Provisions for Contracts and Grants, Attachment D: Information Technology System Implementation Terms and Conditions, the Professional Liability and Cyber Liability Insurance Coverage provision in Attachment D, and any other contract attachments included with this RFP.
- C. **FORM OF PAYMENT:** Does Bidder accept the Visa Purchasing Card as a form of payment?
- ____ Yes ____ No
- D. **WORKER CLASSIFICATION COMPLIANCE REQUIREMENT:** In accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54), the following provisions and requirements apply to Bidder when the amount of its bid exceeds \$250,000.00.

Self-Reporting. Bidder hereby self-reports the following information relating to past violations, convictions, suspensions, and any other information related to past performance relative to coding and classification of workers, that occurred in the previous 12 months.

Summary of Detailed Information	Date of Notification	Outcome

Subcontractor Reporting. Bidder hereby acknowledges and agrees that if it is a successful bidder, prior to execution of any contract resulting from this RFP, Bidder will provide to the State a list of all proposed subcontractors and subcontractors' subcontractors, together with the identity of those subcontractors' workers compensation insurance providers, and additional required or requested information, as applicable, in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54), and Bidder will provide any update of such list to the State as additional subcontractors are hired. Bidder further acknowledges and agrees that the failure to submit subcontractor reporting in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54) will constitute non-compliance and may result in cancellation of contract and/or restriction from bidding on future state contracts.

E. Executive Order 05 – 16: Climate Change Considerations in State Procurements Certification

Bidder certifies to the following (Bidder may attach any desired explanation or substantiation. Please also note that Bidder may be asked to provide documentation for any applicable claims):

1. Bidder owns, leases or utilizes, for business purposes, space that has received:
 - ☐ Energy Star® Certification
 - ☐ LEED®, Green Globes®, or Living Buildings ChallengeSM Certification
 - ☐ Other internationally recognized building certification:

2. Bidder has received incentives or rebates from an Energy Efficiency Utility or Energy Efficiency Program in the last five years for energy efficient improvements made at bidder's place of business. Please explain:

3. Please Check all that apply:
 - ☐ Bidder can claim on-site renewable power or anaerobic-digester power ("cow-power"). Or bidder consumes renewable electricity through voluntary purchase or offset, provided no such claimed power can be double-claimed by another party.
 - ☐ Bidder uses renewable biomass or bio-fuel for the purposes of thermal (heat) energy at its place of business.
 - ☐ Bidder's heating system has modern, high-efficiency units (boilers, furnaces, stoves, etc.), having reduced emissions of particulate matter and other air pollutants.
 - ☐ Bidder tracks its energy consumption and harmful greenhouse gas emissions. What tool is used to do this? _____
 - ☐ Bidder promotes the use of plug-in electric vehicles by providing electric vehicle charging, electric fleet vehicles, preferred parking, designated parking, purchase or lease incentives, etc..
 - ☐ Bidder offers employees an option for a fossil fuel divestment retirement account.
 - ☐ Bidder offers products or services that reduce waste, conserve water, or promote energy efficiency and conservation. Please explain:

4. Please list any additional practices that promote clean energy and take action to address climate change:

F. Acknowledge receipt of the following Addenda:

Addendum No.: _____ Dated: _____

Addendum No.: _____ Dated: _____

Addendum No.: _____ Dated: _____

Bidder Name: _____ Contact Name: _____

Address: _____ Fax Number: _____

Telephone: _____

E-Mail: _____

By: _____ Name: _____

Signature of Bidder (or Representative)

(Type or Print)

END OF CERTIFICATE OF COMPLIANCE

EXHIBIT B**SUBCONTRACTOR REPORTING FORM**

This form must be completed in its entirety and submitted prior to contract execution and updated as necessary and provided to the State as additional subcontractors are hired.

The Department of Buildings and General Services in accordance with Act 54, Section 32 of the Acts of 2009 and for total project costs exceeding \$250,000.00 requires bidders to comply with the following provisions and requirements.

Contractor is required to provide a list of subcontractors on the job along with lists of subcontractor's subcontractors and by whom those subcontractors are insured for workers' compensation purposes. Include additional pages if necessary. This is not a requirement for subcontractor's providing supplies only and no labor to the overall contract or project.

Subcontractor	Insured By		Subcontractor's Sub	Insured By

Date: _____

Name of Company: _____

Contact Name: _____

Address: _____

Title: _____

Phone Number: _____

E-mail: _____

Fax Number: _____

By: _____

Name: _____

Failure to adhere to Act 54, Section 32 of the Acts of 2009 and submit Subcontractor Reporting: Worker Classification Compliance Requirement will constitute non-compliance and may result in cancellation of contract and/or forfeiture of future bidding privileges until resolved.

Send Completed Form to: Office of Purchasing & Contracting
109 State Street
Montpelier, VT 05609-3001
Attention: Contract Administration

EXHIBIT C

STATE OF VERMONT BIDDER RESPONSE FORM

The Vermont Bidder Response Form has been posted as an attachment at:

<http://bgs.vermont.gov/content/it-rfp-eprocurement-solution-and-implementation-services>

EXHIBIT D

State of Vermont Standard Contract for Information Technology Services and its associated Attachments

[USE OF THIS TEMPLATE: ALL HIGHLIGHTED LANGUAGE MAY BE DELETED OR MODIFIED, AS APPLICABLE]

1. **Parties.** This is a contract for services between the State of Vermont, [REDACTED] (hereinafter called "State"), and [REDACTED], with a principal place of business in [REDACTED], (hereinafter called "Contractor"). Contractor's form of business organization is [REDACTED]. It is Contractor's responsibility to contact the Vermont Department of Taxes to determine if, by law, Contractor is required to have a Vermont Department of Taxes Business Account Number.

2. **Subject Matter.** The subject matter of this contract is services generally on the subject of [REDACTED]. Detailed services to be provided by Contractor are described in Attachment A.

3. **Maximum Amount.** In consideration of the services to be performed by Contractor, the State agrees to pay Contractor, in accordance with the payment provisions specified in Attachment B, a sum not to exceed \$ [REDACTED].00.

4. **Contract Term.** The period of contractor's performance shall begin on [REDACTED], 20__ and end on [REDACTED], 20__.

5. **Prior Approvals.** This Contract shall not be binding unless and until all requisite prior approvals have been obtained in accordance with current State law, bulletins, and interpretations.

- Approval by the Attorney General's Office is/is not required.
- Approval by the Secretary of Administration is/is not required.
- Approval by the CIO/Commissioner DII is/is not required.
- Approval by the Commissioner DHR is/is not required.

6. **Amendment.** No changes, modifications, or amendments in the terms and conditions of this contract shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.

7. **Termination for Convenience.** This contract may be terminated by the State at any time by giving written notice at least thirty (30) days in advance. In such event, Contractor shall be paid under the terms of this contract for all services provided to and accepted by the State prior to the effective date of termination.

8. **Attachments.** This contract consists of [REDACTED] pages including the following attachments which are incorporated herein:

Attachment A – Statement of Work

- Exhibit 1 – State Technical and Functional Requirements
- Exhibit 2 – Preliminary Implementation Master Schedule
- Exhibit 3 – State Third Party Software
- Exhibit 4 – Contractor Software

Attachment B – Payment Provisions

Attachment C – “Standard State Provisions for Contracts and Grants” a preprinted form (revision date 09/20/2017)

Attachment D – Other Terms and Conditions for Information Technology Contracts

Attachment F – Agency of Human Services’ Customary Contract/Grant Provisions

[OTHER DEPARTMENT ATTACHMENTS, AS APPLICABLE]

Attachment ____ – Contractor’s [License] Agreement

Attachment ____ – [Maintenance and Support/Service Level Terms]

9. Order of Precedence

Any ambiguity, conflict or inconsistency in the Contract Documents shall be resolved according to the following order of precedence:

- 1) Standard Contract
- 2) Attachment D Other Terms and conditions for Information Technology Contracts
- 3) Attachment C (Standard Contract Provisions for Contracts and Grants)
- 4) Attachment A with Exhibits
- 5) Attachment B
- 6) Attachment F
- 7) **List other attachments as applicable**

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT

By the State of Vermont:

By the Contractor:

Date: _____

Date: _____

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

ATTACHMENT A

SPECIFICATIONS OF WORK TO BE PERFORMED

1. PURPOSE

This Contract sets forth the terms and conditions under which Contractor agrees to provide to the State with a [web-based,] Contractor-supported _____ (the “Solution”). The Solution shall _____.

The Contractor shall provide [development and design services, project and operations management, support and maintenance, consulting, training, engineering and application development , monitoring, support, backup and recovery, change management, technology updates and upgrades and other professional services as described herein] (individually and collectively referred to herein as the “Services”), as necessary for the State’s productive use of the Solution as further set forth in this Contract. This Contract specifies the obligations of each party with additional provisions detailed in the attached Attachments and Exhibits.

2. EXISTING SYSTEMS.

[DESCRIBE]

3. OBJECTIVE

This Contract identifies the tasks required by each party to implement and support the Solution through the following major activities: [development of project management planning documentation; requirements collection and validation, Solution design, data migration, configuration, integration and testing; deployment and training; operations, support, and maintenance services], all as detailed herein.

The project will be executed in phases as described herein.

The successful outcome of the project is defined by the following:

- completed in accordance with this Contract and applicable project management planning documentation;
- Resolution of all material functional and operational deficiencies prior to deployment in the production environment;
- completed within budget;
- configured to meet all specified requirements and needs of the State;

- the Solution meets and adheres to all requirements and timeframes set forth in service level terms set forth herein;
- the Solution is fully documented, including but not limited to requirements specifications, architecture, design, configuration, operational environment and user manuals; and
- trained State staff and stakeholders.

2.3. PERIOD OF INSTALLATION AND IMPLEMENTATION AND TRAINING

The period of installation and implementation and training shall not exceed [REDACTED] months from the date of this Contract. Support and maintenance shall begin [upon Solution deployment] and shall continue through the Contract Term as the same may be extended by the parties.

3. DEFINITIONS. Capitalized terms used in this Contract not specifically defined in the text shall have the following meanings:

- (a) **“Certificate of Acceptance”** means written certification, delivered to Contractor and signed by an authorized representative of the State, stating that any Defects in a particular Phase or the Solution discovered after implementation and testing have been corrected as required under this Contract, and that the Phase complies in all material respects with all of the applicable Requirements.
- (b) **“Certificate of Completion”** means written certification, delivered to the State and signed by an authorized representative of Contractor, stating that any Defects in a particular Phase or the Solution discovered after implementation, testing and Acceptance have been corrected as required under this Contract, and that the Phase or Solution complies in all material respects with all of the applicable Solution Requirements. The State must provide written acceptance to Contractor of any and all Certificates of Completion for them to become effective.
- (c) **“Contractor Personnel”** means and refers to Contractor’s employees and employees of Contractor’s permitted subcontractors or permitted agents assigned by Contractor to perform Services under this Contract.
- (d) **“Defect”** means any failure by the Solution or any Phase or component thereof to conform in any material respect with applicable Requirements.
- (e) **“Defect Correction”** means either a modification or addition that, when made or added to the Solution, establishes material conformity of the Solution to the applicable Requirements, or a procedure or routine that, when observed in the regular operation of the Solution, eliminates the practical adverse effect on the State of such nonconformity.
- (f) **“Documentation”** means any and all descriptions and specifications of the Requirements

included herein or created or developed hereunder, operational, functional and supervisory reference guides, manuals and instructive materials, in whatever form and regardless of the media on which it may be contained, stored or transmitted, which is developed, prepared, used or otherwise available from Contractor and/or Contractor's suppliers, in connection with and applicable to the provision, use, operation and support of the Services hereunder. Documentation shall be sufficient to enable State personnel to understand, operate, use, access, support, maintain, update and modify Services, notwithstanding that Contractor is or may be responsible for any or all of the foregoing obligations. Documentation shall also include all standards applicable to the Services, including those applicable to: (i) Contractor for its own comparable items or services; (ii) the State for its own comparable items or services; and (iii) such standards and guidelines as the parties mutually agree apply to the Services involved.

- (g) **"Final Acceptance"** means the issuance of Certificate of Acceptance executed by the State which specifies the mutually agreed upon Go Live Date for the Solution.
- (h) **"Facilities"** means the physical premises, locations and operations owned or leased by the State (a "State Facility") or the Contractor (a "Contractor Facility"), and from or through which the Contractor and/or its permitted contractors will provide any Services.
- (i) **"Go Live Date."** The date that the all or any part of the entire Solution is first available for use by the State in an operational, non-test environment, utilizing actual production data.
- (j) **"Phases."** A particular portion of the Solution, as set forth in the Implementation Master Schedule or as may be modified in accordance with this Contract. Unless modified by written agreement of the parties, the five project Phases are [Solution Definition and Design, Requirements Gathering, Customization, Deployment, Training and Maintenance and Support].
- (k) **"Requirements"** means the State's baseline Functional and Technical Requirements attached as Exhibit 1 to Attachment A of this Contract.
- (l) **"Service Level"** means the specific level of performance Contractor is required to comply with and adhere to in providing the Services in conformity with the Requirements, consistent with the criteria and parameters specified in this Contract. Service Level Terms are set forth in Attachment [redacted] to this Contract.

4. PROJECT MANAGEMENT

The scope of work as detailed below describes the services, deliverables and key assumptions. Contractor will develop an overall project schedule that details the tasks, timelines, and deliverables for the fully integrated solution.

4.1. CONTRACTOR PROJECT MANAGEMENT AND SUPPORT

4.1.1 CONTRACTOR'S PROJECT MANAGER

Contractor will designate an individual to serve as the “**Contractor Project Manager**” who will: (i) be a senior employee within Contractor’s organization, with the information, authority and resources available to properly discharge the responsibilities required hereunder; (ii) serve as primary point of contact and the single-point of accountability and responsibility for all Contract-related questions and issues and the provision of Services by Contractor; (iii) have day-to-day responsibility for, and authority to manage, State customer satisfaction; (iv) devote full time and dedicated efforts to managing and coordinating the Services; and (v) be located at State Facilities or such other appropriate location as Contractor and the State may mutually agree.

Contractor’s Project Manager shall be responsible for all tasks necessary to manage, oversee, and ensure success of the project. These tasks include documenting requirements, developing and updating project plans, assigning staff, scheduling meetings, developing and publishing status reports, addressing project issues, risks, and change orders, and preparing presentations for the State.

Contractor’s project manager shall be responsible for the successful delivery of all Contractor tasks and subtasks defined in the Project Management Plan (as defined herein). Progress will be monitored and plans adjusted, as necessary, in project status meetings. The Project Management Plan deliverables (for both State and Contractor tasks) shall be updated by the Contractor, subject to review and approval of the State, and reports printed for each status meeting.

Contractor’s project manager shall be responsible for developing and implementing the following project management documentation:

Deliverable	Description	Update Frequency
Project Management Plan	<p>The Project Management Plan will dictate specifics on how the Contractor Project Manager will administer the project and will include the following documentation:</p> <ol style="list-style-type: none">1. Change Management Plan (will dictate how changes will be handled including any Service level terms on over/under estimates)2. Communication Management Plan (will dictate what will be communicated, to who, and how often)3. Requirements Management Plan (will dictate the approach that the requirements will be gathered, approved, and maintained)4. Human Resources Management Plan (will dictate	

	<p>what resources will be assigned to the project, for how long, under what allocation, who they report to, and how to handle changes to the resource plan)</p> <p>5. Procurement Management Plan (will dictate how the Vendor(s) will interact with the project and expectations regarding Vendor relations with State resources)</p> <p>6. Quality Management Plan (will dictate the quality controls over the work being done on the project as well as determine Key Performance Indicators – this document is not limited to deliverables)</p> <p>7. Risk and Issues Management Plan (will dictate how risks and issues will be managed over the course of the project)</p> <p>8. Scope Management Plan (will dictate how the scope will be maintained to prevent “scope creep”)</p>	
Formal Acceptance Criteria	Criteria that establishes what the acceptance and rejection criteria of each document on this list.	
Formal Acceptance Sign Off	Obtain sign-off at the completion of each project deliverable as defined by the formal acceptance criteria.	
Change Requests	Formal document which outlines any changes to the Contract scope, schedule, budget, and resources.	
Change Requests Log	Tracks the specific change requests approved and their impact to the project scope, budget and schedule.	
Budget Log	Outlines original Contract costs by deliverable with billed and paid-to-date information.	
Risk Log	A log of all risks (opened or closed) that could impact the project. Risks should be outlined by their impact and their potential to occur. All risks should have an owner.	
Issue/Action Items/Decision Log	A Log of open and resolved/completed Issues. Issues should be outlined by their impact, owner, date of occurrence, and remediation strategy.	
Decision Log	A log of all decisions made over the course of the project. Decisions should have a date and name of decider.	
Requirements Documents	Finalized list of the project requirements to be approved by the State. The approach is dictated by the	

	<p>Requirements Management Plan (see Project Management Plan), and can include:</p> <ul style="list-style-type: none"> • Stated requirements document (SRD): The SRD contains current state process flows, user stories, and business rules and states the business need at a high level. • Business requirements document (BRD): The BRD contains a medium level of requirements as well as required metrics of project success. • Functional requirements document (FRD): The FRD contains detailed requirements that can be handed off to the Contractor for execution. 	
Test Plans	A description of the testing approach, participants, sequence of testing and testing preparations	Once
Test Cases & Results	The specific test cases to be tested and the testing results. Test Cases tie back to the project requirements (to ensure each one has been met).	Create once then update with Results
Implementation Master Schedule	The IMS outlines how the project will go-live and will include a mini-project plan for the exact events that need to occur assigned to the resources that need to do them and the timeframe for when they need to get done. (See Section 4.4 for more detail.)	Once per implementation
Project Status Reports	Provides an update on the project health, accomplishments, upcoming tasks, risks and significant issues. The Status Report and the project color being report shall be developed in consultation with the State business lead and State project manager, as set forth in greater detail in Section 4.2.2.	Weekly
Project Phase Audit/Gate Check	At the end of each Phase, the Contractor Project Manager shall submit an audit of all deliverables and milestones achieved during the Phase to the State Project manager for review.	Once per phase.
Meeting Agenda/ Minutes	All scheduled meetings will have an agenda and minutes. The minutes shall contain risk issues, action items, and decision logs. Minutes shall be transcribed over to the main logs.	Per occurrence
End of Project Metrics	These are metrics that reflect how well the project was performed. Metrics will be outlined in the Quality Management Plan	
Lessons Learned	A compilation of the lessons learned having 20/20 hindsight. Lessons learned shall be delivered in an Excel template and collected from each of the State and	Once

	Contractor project team members to get a full 360 degree view of the project in retrospect.	
Closeout Report	This report will include all the lessons learned, project metrics, and a summary of the project's implementation and outcome in operation.	Once

Contractor shall use State templates for the foregoing, unless otherwise approved by the State. The State Project Manager shall be responsible for the review and acceptance of project management documentation.

Contractor's project manager shall assist the State's project manager (upon request) in creating materials for periodic presentations to State project sponsors and key stakeholders. Contractor's project manager may be required to present information to, and answer questions from, State stakeholders at these presentations.

4.1.2 PROJECT MANAGEMENT AND SUPPORT

The Contractor will apply PMI (Project Management Institute's PMBOK) principles to ensure on-time and within-budget delivery of the Solution, while meeting all of the Requirements in this Contract. The State will approve all project management methods and tools used during the project. These project management methods and tools are considered project deliverables.

4.1.3 KEY PROJECT STAFF

Contractor will perform and support the Services consistent with this Contract and the Solution Requirements. Contractor Personnel will be properly educated, trained and qualified for the Services they are to perform and Contractor will put appropriate training in place to meet initial and ongoing training requirements of Contractor Personnel assigned to perform Services.

- (a) Contractor shall be responsible, at its own cost and expense, for any and all recruitment, hiring, Contractor-specific training, education and orientation for all Contractor Personnel assigned or to be assigned to perform Services or support the Requirements.
- (b) All Contractor Personnel, in addition to any Contractor security policies and procedures, shall be required to comply with the security requirements in this Contract
- (c) Contractor shall conduct its hiring process in compliance with all applicable Federal and State laws to include, but not be limited to, anti-discrimination laws.

(i) **Eligibility for Employment:** Contractor shall verify that all prospective employees are eligible for employment in the United States.

(ii) **Criminal Records:** Contractor or an agent of Contractor shall perform criminal background checks on all prospective employees utilizing a national criminal database acceptable to the State. Before any Contractor Personnel begin work on the Services x) such background check shall have returned a "no record" result or, y) to the extent that the result revealed that a felony record or records

exist for a given individual, the associated conviction(s) shall be unrelated to the work to be performed as specified under the Equal Employment Opportunities Commission's EEOC Enforcement Guidance regarding the employment of convicted felons issued April 25, 2012. Contractor shall provide the State with notice of proposed Contractor Personnel with felony or misdemeanor convictions that involve a crime against a person; a crime involving the use or misuse of computer network; a crime involving weapons, explosives or arson; a crime involving trade secret/proprietary information; a crime involving theft, dishonesty, embezzlement, breach of fiduciary duty, identity theft, or other financial-related crimes; a felony conviction for drug possession; or a crime involving the distribution or trafficking of illegal drugs and/or controlled substances.

- (d) All Contractor Personnel providing or assigned to provide Services or otherwise in a position to obtain or have access to State Information, shall execute a non-disclosure agreement in a form acceptable to the State.
- (e) The timing for transfer, reassignment or replacement of Contractor Personnel will be coordinated with requirements for timing and other elements of the Services so as to maintain continuity in the performance of the Services and avoid interruption or disruption to the Services or any failures to maintain Service Levels.

Contractor shall assign the following Contractor staff ("Key Project Staff"), to meet the Requirements of this Contract:

[INSERT]

Contractor will cause the Contractor Personnel filling the Key Project Staff positions to devote full time and dedicated effort to the provision of the Services and the achievement of Service Levels required for the Services, unless a lesser allocation during certain Project Phases may be agreed in writing.

4.1.4 KEY PROJECT STAFF CHANGES

Contractor shall not change the project assignment of _____, _____, and _____ for the period of project implementation. Contractor shall not change other members of Key Project Staff without providing the State written justification, a comprehensive transition plan and obtaining prior written approval of the State. State approvals for replacement of Key Project Staff will not be unreasonably withheld.

The replacement of Key Project Staff shall have comparable or greater skills and applied experience than being replaced and be subject to reference and background checks described above. If Contractor removes Key Project Staff for any reason without the State's approval, Contractor agrees to replace the new Key Project Staff member if performance is unacceptable to State and provide the first thirty (30) days of a replacement resource with equivalent skill at no charge.

Notwithstanding the foregoing, the State acknowledges that Key Project Staff may become unavailable due to termination of employment for any reason, through disability or death, illness, or through leave of absence such as FMLA or National Guard duty for example. In such circumstances, Contractor shall promptly notify the State in writing of the impending or actual departure of any Key Personnel and of the qualifications and identity of proposed replacement Key Project Staff. The State has the right to reasonably disapprove of any replacement Key Project Staff.

4.1.5 CONTROL OF CONTRACTOR PERSONNEL. Contractor shall be fully responsible for the management, compensation, and performance of all Contractor Personnel, and the filing of any and all returns and reports and the withholding and/or payment of all applicable federal, State, and local wage tax, or employment-related taxes, including, but not limited to, income taxes, gross receipt taxes, taxes measured by income, social security taxes, and unemployment taxes for Contractor and Contractor's employees. Notwithstanding the foregoing, Contractor's employees shall adhere to the State's policies and procedures, of which Contractor is made aware while on State Premises, and shall behave and perform in a professional manner. The State, may, in its reasonable discretion, require Contractor to replace any Contractor Personnel, including but not limited to Key Project Staff, working hereunder who does not adhere to, behave, and perform consistent with the State's policies and procedures, or otherwise engages in unprofessional or unethical conduct, or abuses any illegal substance or alcohol, or engages in illegal activities or consistently underperforms. The State shall provide written notice to Contractor of the requirement of replacement, or with whom there are irresolvable personality conflicts. Contractor shall use reasonable efforts to promptly and expeditiously replace Key Project Staff and replace all other personnel within fifteen (15) business days of receipt of the written notice unless otherwise mutually agreed. The State's right to request replacement of Contractor personnel hereunder relates solely to the removal of individuals from work on this Contract with the State and does not create an employment relationship. Nothing in this Contract authorizes the State to direct the Contractor's termination of the employment of any individual.

4.1.6 CONTRACTOR THIRD PARTY CONTRACTS. The State acknowledges and understands that Contractor will enter into third party contracts with the following Contractor subcontractors: (i) _____ for _____; (ii) _____ for _____; and (iii) _____ for the performance of Services hereunder. Contractor shall deliver a copy of all such third party contracts to the State for review upon request. The State hereby consents to the use by Contractor of these subcontractors, provided however that any such consent is not deemed acceptance of the terms of any subcontracts by the State.

4.2. PROJECT PLANNING

The State and Contractor Project Managers will arrange for kick-off dates and procedures for managing the project – such as reporting status and resolving issues. This will provide an opportunity to introduce all key members of the project teams and walk through the project management plan and key milestones.

4.2.1. MEETING PROTOCOLS

For regular weekly project status meetings, Contractor's Project Manager shall provide a meeting agenda and any handouts at least one business day in advance of the scheduled meeting.

4.2.2. PROJECT DOCUMENT STORAGE

The Contractor will establish a SharePoint site, or some other collaboration mechanism, that is accessible to the Contractor and the State. This will provide a common area for Contractor's project documents, artifacts, and deliverables. Access to all SharePoint sites (or other medium of collaboration) and all project material contained therein shall be delivered to the State upon completion of the project.

4.2.3. STATUS REPORTS

Contractor's Project Manager shall provide project documentation and collaboration to meet the State's Vendor reporting requirements. If requested, the Contractor shall use the State's Status Report template. If no template is provided to the Contractor, the status information shall include, at a minimum: all planned tasks accomplished for the reporting period; planned tasks that are incomplete, or behind schedule in the previous week (with reasons given for those behind schedule); all tasks planned for the upcoming two weeks; an updated status of tasks (entered into the Master Project Work Plan and attached to the status report – e.g., percent completed, resources assigned to tasks, etc.); and the status of any corrective actions undertaken. The report will also contain items such as the current status of the project's technical progress and contractual obligations; achievements to date; risk management activities; unresolved issues; requirements to resolve unresolved issues; action items; problems; installation and maintenance results; and significant changes to Contractor's organization or method of operation, to the project management team, or to the deliverable schedule, where applicable. For all project services performed on a time and materials basis, as provided herein, the Contractor shall also provide details on staff hours, cost per activity, all expenditures and a summary of services performed for the reporting period.

The State Project Manager and Contractor's Project Manager will come to agreement on the exact format of the project documentation and collaboration reports, at or before the project kick-off meeting.

Each report shall include a project dashboard at the top outlining the overall status of the project in terms of the standard triple constraint: cost, time, resources (using a legend or icon of green, yellow, and red based upon the following definitions):

- Green – on track to deliver committed scope by committed deadline with committed resources/funding.
- Yellow – not on track to deliver committed scope by committed deadline with committed resources/funding, but have a plan to get back to green.
- Red – not on track and currently do not have a plan to get back to green. Need project management intervention or assistance.

In the event of yellow or red overall project status, there should be a specific task(s) and/or issue(s) identified as yellow or red which are the root cause of the overall project status being yellow or red. These items shall be presented in sufficient detail to determine the root-cause. The Status Report shall provide a link to the Risks and Issues Log for more detail.

The report shall include a budget section outlining original contract costs by deliverable with billed and paid-to-date information by deliverable and in total.

4.3 IMPLEMENTATION MASTER SCHEDULE

The Contractor has compiled a preliminary “baseline” implementation master schedule (“IMS”) using the best available knowledge at the time of Contract signing which is attached to this Attachment A as Exhibit 2. The Contractor shall update the IMS after execution of this Contract during the Project Development as required pursuant to the terms herein (e.g., updated tasks and task descriptions, updated meeting dates, updated resource assignments, updated milestone dates). Any such changes shall be communicated in writing by the Contractor to the State Contract Manager by executing a new or revised IMS or other documentation acceptable to the State. Such changes are subject to State review and approval. The parties shall work together to implement the IMS changes in accordance with the terms of this Contract; provided, however, in no event shall revisions to the IMS be deemed to amend this Contract. Changes to project scope, term or maximum amount shall require a Contract amendment.

The IMS is an ongoing tool for anticipating and tracking changes to expectations for all project tasks, deliverables and milestones. The complete IMS is an integrated plan – that is, it includes actions and deliverables from all project areas – both Contractor and State. The complete IMS, which includes the detailed tasks and milestones, shall reside in [Microsoft Project (.mpp) format (Version 2013 or later)] and will be shared in the ongoing communication meetings to discuss changes. State shall sign off on all deliverables from each Phase of the IMS before subsequent phase work is initiated. Once sign off is complete, Contractor and State will assess readiness to proceed with next phase.

5. SCOPE OF SERVICES.

5.1 DESCRIPTION OF SERVICES. Contractor agrees to provide and shall perform the Services described herein in accordance with and subject to the terms and conditions set forth in this Contract.

5.2 Project Major Phases, Warranty and Options. [DESCRIBE PROJECT PHASES AND DELIVERABLES FOR EACH PHASE; THIS SECTION SHOULD INCLUDE PAYMENT MILESTONES WHICH ARE THEN REITERATED IN ATTACHMENT B WITH PAYMENT AMOUNTS]

The Contractor shall, at a minimum, provide State access to a [web-based] Solution that meets the tools and functionality requirements of the State set forth in Exhibit 1 to this Attachment A. Contractor shall use system development and configuration control methodologies and the desirable sequence of project major Phases as described herein. Estimated dates in the following table shall be finalized in the IMS as described in Section 4.4, "Implementation Project Schedule."

PHASE	ESTIMATED DATES	PHASE DESCRIPTION
[Initiation]		Kick-off meeting, Planning and preparation of project management planning documentation.
[Requirements Gathering]		Contractor performs necessary requirements gathering to finalize functional and technical requirements and identify gaps between State requirements and Solution capabilities.
[Implementation]		Contractor installs and configures the Solution in a Test environment.
[Testing]		State subject matter experts perform Solution testing in a test (not live) environment in accordance with State and Contractor-developed Test plans.
[Training]		Contractor performs training of State personnel (train the trainer or train the user).
[Legacy Data Migration]		Contractor shall perform all necessary legacy data migrations using State-approved migration plan and data mapping templates.
[Deployment]		Contractor implements the tested and State-approved Solution in the production environment for additional State testing and Go-Live.
[Post-Implementation Support/Warranty]		Contractor shall be responsible for fixing all Defects found during the Warranty Period. All Defects found within the Warranty Period, shall be corrected by Contractor at no additional cost to the State.

5.3. State-Caused Delays. Contractor acknowledges that the State may not be able to meet the time frames specified in an IMS or that the State may determine that it is necessary to delay and/or modify the timing and sequencing of the implementation as provided in the IMS. While the State is committed to the project and shall use reasonable efforts to provide staff and resources necessary to satisfy all such time frames, the State shall not be held responsible or deemed in default for any delays in Solution

implementation provided the State uses its reasonable efforts to accomplish its designated responsibilities and obligations as set forth in the IMS. In addition, the State may, at its option, delay implementation and installation of the Solution, or any part thereof. Notwithstanding any provision to the contrary, if the State Significantly Delays implementation of the Solution, either party may make a Change Request in accordance with Section 8, "Change Order Process," and, if required, an amendment to this Contract. Contractor agrees to adjust the IMS and Payment Milestones deadlines to take into account any State-caused delays; provided, however, that Contractor shall continue to perform any and all activities not affected by such State-caused delay. In the event the State's adjustment to the IMS causes Contractor scheduling conflicts or personnel unavailability, the State and Contractor shall prepare a revised mutually agreeable IMS which may delay the commencement and completion dates of the project and shall take into consideration the readjusted time frames and any necessary resequencing of the activities. Such readjustment, rescheduling or modification of the Project shall be at no additional cost to the State if the delays are less than or equal to thirty (30) days.

For purposes of this Section, a "Significant Delay" shall mean any delay that in itself will cause a slippage of thirty (30) calendar days or more in a Go Live date.

5.4 Third Party Resources. From time to time State may request that Contractor obtain and provide to the State, at the State's expense, third party Resources related to the Services but outside the scope of what Contractor is then obligated to provide hereunder, including the benefit of any volume purchasing discounts, pricing or terms available to the State or its supplier. Contractor shall notify the State at the time of any such request of any relationships Contractor may have with such suppliers that may be of benefit to the State in this respect. To the extent that State may have a more favorable relationship with any third party supplier, upon notice from State, Contractor agrees to consider such Resources from State's designated supplier. Contractor will not add an administrative fee or other markup to any third party Resources it procures on behalf of or for the benefit of State and the Services provided hereunder.

5.5 State Third Party Software. A list of all Third Party Software licensed by the State for purposes of Contractor's performance of the Services is attached to this Attachment A as Exhibit 3. Contractor will assume operational and financial responsibility for such Third Party Software and any related maintenance obligations to the same extent as if Contractor were the licensee of such Third Party Software. Contractor will cease use of such Third Party Software upon expiration or termination of this Contract.

6. ACCEPTANCE

6.1 Acceptance Testing by the State Following Implementation. After Contractor provides written notice to the State that it has completed a Phase of the Solution, the State shall, in accordance with the Formal Acceptance Criteria agreed by the parties, and with full cooperation and assistance from Contractor, conduct all such inspections and tests of the Phase as the State may deem necessary or appropriate to determine whether any Defects exist in the Phase as implemented and whether the Phase as installed materially complies with all of the Installation Test Specifications and Phase specifications as set forth in the Requirements and detailed IMS. Such inspections and tests shall be over a duration mutually agreed upon by the State and Contractor, per Phase, from the date a notice of completion is issued (the "Acceptance Period"). Contractor shall correct all Defects during the Acceptance Period, demonstrate to

the State that correction of such Defects has been made, and after so demonstrating correction, shall issue to the State a written Certificate of Completion indicating that no Defects are known to exist in the Phase and/or Solution. The State shall be deemed to have accepted and approved the particular Phase or Solution only upon the State's delivery to Contractor of a signed, written Certificate of Acceptance indicating that the Phase or the Solution, as the case may be, as completed, materially performs in accordance with the Requirements.

If at the end of the Acceptance Period, the State has not issued a signed Certificate of Acceptance to Contractor for that Phase or the Solution, the State may, in its sole discretion, extend the Acceptance Period; provided, however, that the State shall respond within five (5) business days of a written request by Contractor issued after the end of the original Acceptance Period to provide Contractor with the State's status of approval or disapproval for that Phase or the Solution. Any rejection must be in writing and specify the reason for the rejection and must be based upon the continued existence of a Defect in the Phase or Solution or failure of the Phase or Solution to materially perform in accordance with the Requirements. The Certificate of Acceptance shall not be unreasonably withheld by the State. If a Certificate of Acceptance for a Phase or the Solution is signed and delivered by the State, Contractor shall sign said Certificate, with both parties receiving a copy thereof.

7. THIRD PARTY COOPERATION

The State may hire other independent contractors as it may require to assist with the project. Contractor will cooperate with the State and the third party, including provision of: (i) written Documentation requested by the State; (ii) commercially reasonable assistance and support services to such third party; and (iii) reasonable access to Contractor as necessary for such third parties to perform their work. The State shall use reasonable efforts to require such third parties to comply with Contractor's reasonable requirements regarding confidentiality, operations, standards, and security. Contractor shall support and maintain such third party work product, provided the service provider complies with any Documentation applicable to Contractor in respect of the Services involved.

8. CONTRACT/PROJECT CHANGE ORDER PROCESS

[NOTE: AS EXPLAINED HEREIN, THIS SECTION IS NOT APPLICABLE FOR ANY AND EVERY RFP AND SHOULD BE DELETED AS APPROPRIATE]

For projects involving IT Implementation services, where frequent and/or multiple minor changes to the project schedule or deliverables are anticipated, the following process may be utilized to effectuate such minor changes without undue project delays ("Change Orders").

Changes to a Contract during its term may incur additional costs and possible delays relative to the project schedule, or may result in less cost to the State (for example, the State decides it no longer needs a deliverable in whole or part) or less effort on the part of a selected Vendor. A Change Order shall define the effort involved in implementing the change, the total cost or associated savings to the State, of implementing the change, and the effect, if any, of implementing the change on the project schedule.

Any change that alters the essential terms of the original contract, including any change that expands or decreases the statement of work, the contract duration, the payment terms and/or the contract maximum amount, shall require a Contract Amendment in accordance with State contracting policies and procedures. Under no circumstances may a Change Order be used where a Contract Amendment is otherwise required pursuant to the Contract Amendments, Approval and Execution process set forth in State Administrative Bulletin 3.5.

Change Orders will be developed jointly and every effort will be made to adhere to the approved Project Plan. The Project Manager for the State and the Project Manager for a Contractor will decide whether a Change Order is necessary. If a Change Order is necessary, the Project Manager for requesting party will prepare a Change Order Request detailing the impacts on scope, schedule, deliverables, resources, and cost. The Change Order Request must be submitted to the non-requesting party for review. The non-requesting party will make its best efforts to either approve or deny the Change Order in writing within (10) business days. In no event shall any delay in the approval or denial of a Change Request constitute a deemed approval by the State.

The State will not pay for the effort involved in developing a Change Order. The Contractor shall bear the cost of estimating the cost or savings, time, and Contractor resources required to implement all Change Order Requests forthcoming from the State during the course of the Project.

All Change Orders that are mutually agreed upon must:

- a. be in writing and describe, with specific reference to the applicable section(s) of the contract, what is being added, deleted or otherwise modified;
- b. be signed by both the State and the Contractor;
- c. include the original contract number and a sequential Change Order number;
- d. include Contractor certifications regarding Taxes, Debarment, and Child Support, as detailed in State Administrative Bulletin 3.5, Section XIII(A)(c); and
- e. be consolidated into a formal Contract Amendment whenever an amendment would otherwise be required by State Administrative Bulletin 3.5.

ATTACHMENT B

PAYMENT PROVISIONS

The maximum dollar amount payable under this contract is not intended as any form of a guaranteed amount. The Contractor will be paid for products or services actually delivered or performed, as specified in Attachment A, up to the maximum allowable amount specified on page 1 of this contract.

1. Prior to commencement of work and release of any payments, Contractor shall submit to the State:
 - a. a certificate of insurance consistent with the requirements set forth in Attachment C, Section 8 (Insurance), and with any additional requirements for insurance as may be set forth elsewhere in this contract; and
 - b. a current IRS Form W-9 (signed within the last six months).
2. Payment terms are **Net 30** days from the date the State receives an error-free invoice with all necessary and complete supporting documentation.
3. Contractor shall submit detailed invoices itemizing all work performed during the invoice period, including the dates of service, rates of pay, hours of work performed, and any other information and/or documentation appropriate and sufficient to substantiate the amount invoiced for payment by the State. All invoices must include the Contract # for this contract.
4. Invoices shall be submitted to the State at the following address: [REDACTED]
5. Contractor shall submit detailed invoices to the State upon Acceptance of a deliverable in accordance with the schedule for delivered products, or rates for services performance. Each invoice must include Contract # XXXXX for this contract. All invoices shall be rendered by the Contractor on the Contractor's standard billhead and forwarded to the Director of Purchasing & Contracting. All payments are to be based on State of Vermont's acceptance of agreed to deliverables. Each invoice must include: specific deliverable(s) being billed, specific amount retained (10% of each Deliverable Payment from each deliverable being billed) and a net amount due. Also, included with each invoice, separate from the net amount due, must be a notation of cumulative previously billed and cumulative previously retained.

- Specify Milestone Deliverable Payment Schedule, retainage (if any) and release point(s).
- Hardware/Software
- Monthly Services
- Other Included Services
- Optional Services
- Withheld Amount

6. **EXPENSES:** The fee for services shall be inclusive of Contractor expenses.

7. **RETAINAGE:** The State shall hold back a minimum of 10% of each deliverable payment as retainage in the resulting contract from this RFP. Upon successful completion and acceptance of all deliverables, all retainage held by the State will be paid to the Contractor in full, subject to the terms and conditions of the Contract.

ATTACHMENT C

STANDARD STATE PROVISIONS FOR CONTRACTS AND GRANTS

REVISED SEPTEMBER 20, 2017

1. Definitions: For purposes of this Attachment, “Party” shall mean the Contractor, Grantee or Subrecipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement. “Agreement” shall mean the specific contract or grant to which this form is attached.

2. Entire Agreement: This Agreement, whether in the form of a contract, State-funded grant, or Federally-funded grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.

3. Governing Law, Jurisdiction and Venue; No Waiver of Jury Trial: This Agreement will be governed by the laws of the State of Vermont. Any action or proceeding brought by either the State or the Party in connection with this Agreement shall be brought and enforced in the Superior Court of the State of Vermont, Civil Division, Washington Unit. The Party irrevocably submits to the jurisdiction of this court for any action or proceeding regarding this Agreement. The Party agrees that it must first exhaust any applicable administrative remedies with respect to any cause of action that it may have against the State with regard to its performance under this Agreement.

Party agrees that the State shall not be required to submit to binding arbitration or waive its right to a jury trial.

4. Sovereign Immunity: The State reserves all immunities, defenses, rights or actions arising out of the State’s sovereign status or under the Eleventh Amendment to the United States Constitution. No waiver of the State’s immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by reason of the State’s entry into this Agreement.

5. No Employee Benefits For Party: The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the State withhold any state or Federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.

6. Independence: The Party will act in an independent capacity and not as officers or employees of the State.

7. Defense and Indemnity: The Party shall defend the State and its officers and employees against all third party claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party in connection with the performance of this Agreement. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit. The State retains the right to participate at its own expense in the defense of any claim. The State shall have the right to approve all proposed settlements of such claims or suits.

After a final judgment or settlement, the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party in connection with the performance of this Agreement.

The Party shall indemnify the State and its officers and employees if the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party or an agent of the Party in connection with the performance of this Agreement.

Notwithstanding any contrary language anywhere, in no event shall the terms of this Agreement or any document furnished by the Party in connection with its performance under this Agreement obligate the State to (1) defend or indemnify the Party or any third party, or (2) otherwise be liable for the expenses or reimbursement, including attorneys' fees, collection costs or other costs of the Party or any third party.

8. Insurance: Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the State through the term of this Agreement. No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont. Vermont will accept an out-of-state employer's workers' compensation coverage while operating in Vermont provided that the insurance carrier is licensed to write insurance in Vermont and an amendatory endorsement is added to the policy adding Vermont for coverage purposes. Otherwise, the party shall secure a Vermont workers' compensation policy, if necessary to comply with Vermont law.

General Liability and Property Damage: With respect to all operations performed under this Agreement, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

- Premises - Operations

- Products and Completed Operations

- Personal Injury Liability

- Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

- \$1,000,000 Each Occurrence

- \$2,000,000 General Aggregate

- \$1,000,000 Products/Completed Operations Aggregate

- \$1,000,000 Personal & Advertising Injury

Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than \$500,000 combined single limit. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, limits of coverage shall not be less than \$1,000,000 combined single limit.

Additional Insured. The General Liability and Property Damage coverages required for performance of this Agreement shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, then the required Automotive Liability coverage shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

Notice of Cancellation or Change. There shall be no cancellation, change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written prior written notice to the State.

9. Reliance by the State on Representations: All payments by the State under this Agreement will be made in reliance upon the accuracy of all representations made by the Party in accordance with this Agreement, including but not limited to bills, invoices, progress reports and other proofs of work.

10. False Claims Act: The Party acknowledges that it is subject to the Vermont False Claims Act as set forth in 32 V.S.A. § 630 *et seq.* If the Party violates the Vermont False Claims Act it shall be liable to the State for civil

penalties, treble damages and the costs of the investigation and prosecution of such violation, including attorney's fees, except as the same may be reduced by a court of competent jurisdiction. The Party's liability to the State under the False Claims Act shall not be limited notwithstanding any agreement of the State to otherwise limit Party's liability.

11. Whistleblower Protections: The Party shall not discriminate or retaliate against one of its employees or agents for disclosing information concerning a violation of law, fraud, waste, abuse of authority or acts threatening health or safety, including but not limited to allegations concerning the False Claims Act. Further, the Party shall not require such employees or agents to forego monetary awards as a result of such disclosures, nor should they be required to report misconduct to the Party or its agents prior to reporting to any governmental entity and/or the public.

12. Location of State Data: No State data received, obtained, or generated by the Party in connection with performance under this Agreement shall be processed, transmitted, stored, or transferred by any means outside continental United States, except with the express written permission of the State.

13. Records Available for Audit: The Party shall maintain all records pertaining to performance under this agreement. "Records" means any written or recorded information, regardless of physical form or characteristics, which is produced or acquired by the Party in the performance of this agreement. Records produced or acquired in a machine readable electronic format shall be maintained in that format. The records described shall be made available at reasonable times during the period of the Agreement and for three years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

14. Fair Employment Practices and Americans with Disabilities Act: Party agrees to comply with the requirement of 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement.

15. Set Off: The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.

16. Taxes Due to the State:

- A. Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.
- B. Party certifies under the pains and penalties of perjury that, as of the date this Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.
- C. Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.
- D. Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.

17. Taxation of Purchases: All State purchases must be invoiced tax free. An exemption certificate will be furnished upon request with respect to otherwise taxable items.

18. Child Support: (Only applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date this Agreement is signed, he/she:

- A. is not under any obligation to pay child support; or
- B. is under such an obligation and is in good standing with respect to that obligation; or
- C. has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

Party makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Party is a resident of Vermont, Party makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

19. Sub-Agreements: Party shall not assign, subcontract or subgrant the performance of this Agreement or any portion thereof to any other Party without the prior written approval of the State. Party shall be responsible and liable to the State for all acts or omissions of subcontractors and any other person performing work under this Agreement pursuant to an agreement with Party or any subcontractor.

In the case this Agreement is a contract with a total cost in excess of \$250,000, the Party shall provide to the State a list of all proposed subcontractors and subcontractors' subcontractors, together with the identity of those subcontractors' workers compensation insurance providers, and additional required or requested information, as applicable, in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54).

Party shall include the following provisions of this Attachment C in all subcontracts for work performed solely for the State of Vermont and subcontracts for work performed in the State of Vermont: Section 10 ("False Claims Act"); Section 11 ("Whistleblower Protections"); Section 12 ("Location of State Data"); Section 14 ("Fair Employment Practices and Americans with Disabilities Act"); Section 16 ("Taxes Due the State"); Section 18 ("Child Support"); Section 20 ("No Gifts or Gratuities"); Section 22 ("Certification Regarding Debarment"); Section 30 ("State Facilities"); and Section 32.A ("Certification Regarding Use of State Funds").

20. No Gifts or Gratuities: Party shall not give title or possession of anything of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this Agreement.

21. Copies: Party shall use reasonable best efforts to ensure that all written reports prepared under this Agreement are printed using both sides of the paper.

22. Certification Regarding Debarment: Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in Federal programs, or programs supported in whole or in part by Federal funds.

Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State's debarment list at: <http://bgs.vermont.gov/purchasing/debarment>

23. Conflict of Interest: Party shall fully disclose, in writing, any conflicts of interest or potential conflicts of interest.

24. Confidentiality: Party acknowledges and agrees that this Agreement and any and all information obtained by the State from the Party in connection with this Agreement are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq.

25. Force Majeure: Neither the State nor the Party shall be liable to the other for any failure or delay of performance of any obligations under this Agreement to the extent such failure or delay shall have been wholly or principally caused by acts or events beyond its reasonable control rendering performance illegal or impossible

(excluding strikes or lock-outs) (“Force Majeure”). Where Force Majeure is asserted, the nonperforming party must prove that it made all reasonable efforts to remove, eliminate or minimize such cause of delay or damages, diligently pursued performance of its obligations under this Agreement, substantially fulfilled all non-excused obligations, and timely notified the other party of the likelihood or actual occurrence of an event described in this paragraph.

26. Marketing: Party shall not refer to the State in any publicity materials, information pamphlets, press releases, research reports, advertising, sales promotions, trade shows, or marketing materials or similar communications to third parties except with the prior written consent of the State.

27. Termination:

- A. Non-Appropriation:** If this Agreement extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this Agreement, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. In the case that this Agreement is a Grant that is funded in whole or in part by Federal funds, and in the event Federal funds become unavailable or reduced, the State may suspend or cancel this Grant immediately, and the State shall have no obligation to pay Subrecipient from State revenues.
- B. Termination for Cause:** Either party may terminate this Agreement if a party materially breaches its obligations under this Agreement, and such breach is not cured within thirty (30) days after delivery of the non-breaching party’s notice or such longer time as the non-breaching party may specify in the notice.
- C. Termination Assistance:** Upon nearing the end of the final term or termination of this Agreement, without respect to cause, the Party shall take all reasonable and prudent measures to facilitate any transition required by the State. All State property, tangible and intangible, shall be returned to the State upon demand at no additional cost to the State in a format acceptable to the State.

28. Continuity of Performance: In the event of a dispute between the Party and the State, each party will continue to perform its obligations under this Agreement during the resolution of the dispute until this Agreement is terminated in accordance with its terms.

29. No Implied Waiver of Remedies: Either party’s delay or failure to exercise any right, power or remedy under this Agreement shall not impair any such right, power or remedy, or be construed as a waiver of any such right, power or remedy. All waivers must be in writing.

30. State Facilities: If the State makes space available to the Party in any State facility during the term of this Agreement for purposes of the Party’s performance under this Agreement, the Party shall only use the space in accordance with all policies and procedures governing access to and use of State facilities which shall be made available upon request. State facilities will be made available to Party on an “AS IS, WHERE IS” basis, with no warranties whatsoever.

31. Requirements Pertaining Only to Federal Grants and Subrecipient Agreements: If this Agreement is a grant that is funded in whole or in part by Federal funds:

- A. Requirement to Have a Single Audit:** The Subrecipient will complete the Subrecipient Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a Single Audit is required for the prior fiscal year. If a Single Audit is required, the Subrecipient will submit a copy of the audit report to the granting Party within 9 months. If a single audit is not required, only the Subrecipient Annual Report is required.

For fiscal years ending before December 25, 2015, a Single Audit is required if the subrecipient expends \$500,000 or more in Federal assistance during its fiscal year and must be conducted in accordance with OMB Circular A-133. For fiscal years ending on or after December 25, 2015, a Single Audit is required if the subrecipient expends \$750,000 or more in Federal assistance during its fiscal year and must be

conducted in accordance with 2 CFR Chapter I, Chapter II, Part 200, Subpart F. The Subrecipient Annual Report is required to be submitted within 45 days, whether or not a Single Audit is required.

- B. Internal Controls:** In accordance with 2 CFR Part II, §200.303, the Party must establish and maintain effective internal control over the Federal award to provide reasonable assurance that the Party is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- C. Mandatory Disclosures:** In accordance with 2 CFR Part II, §200.113, Party must disclose, in a timely manner, in writing to the State, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures may result in the imposition of sanctions which may include disallowance of costs incurred, withholding of payments, termination of the Agreement, suspension/debarment, etc.

32. Requirements Pertaining Only to State Grants:

- A. Certification Regarding Use of State Funds:** If Party is an employer and this Agreement is a State-funded grant in excess of \$1,001, Party certifies that none of these State funds will be used to interfere with or restrain the exercise of Party’s employee’s rights with respect to unionization.
- B. Good Standing Certification (Act 154 of 2016):** If this Agreement is a State-funded grant, Party either (1) hereby certifies, under penalty of perjury, that it is in good standing (as provided in Section 13(a)(2) of Act 154) with the Agency of Natural Resources and the Agency of Agriculture, Food and Markets; or (2) has explained the circumstances surrounding the inability to so certify on a form prescribed by the Secretary of Administration.

(End of Standard Provisions)

ATTACHMENT D

INFORMATION TECHNOLOGY SYSTEM IMPLEMENTATION TERMS AND CONDITIONS

(rev. 4/27/17)

1. MODIFICATIONS TO CONTRACTOR DOCUMENTS

The parties specifically agree that the Contractor Documents are hereby modified and superseded by Attachment C and this Attachment D.

“Contractor Documents” shall mean one or more document, agreement or other instrument required by Contractor in connection with the performance of the products and services being purchased by the State, regardless of format, including the license agreement, end user license agreement or similar document, any hyperlinks to documents contained in the Contractor Documents, agreement or other instrument and any other paper or “shrinkwrap,” “clickwrap,” “browsewrap” or other electronic version thereof.

2. NO SUBSEQUENT, UNILATERAL MODIFICATION OF TERMS BY CONTRACTOR

Notwithstanding any other provision or other unilateral license terms which may be issued by Contractor during the Term of this Contract, and irrespective of whether any such provisions have been proposed prior to or after the issuance of an order for the products and services being purchased by the State, as applicable, the components of which are licensed under the Contractor Documents, or the fact that such other agreement may be affixed to or accompany the products and services being purchased by the State, as applicable, upon delivery, the terms and conditions set forth herein shall supersede and govern licensing and delivery of all products and services hereunder.

3. TERM OF CONTRACTOR’S DOCUMENTS; PAYMENT TERMS

Contractor acknowledges and agrees that, to the extent a Contractor Document provides for alternate term or termination provisions, including automatic renewals, such sections shall be waived and shall have no force and effect. All Contractor Documents shall run concurrently with the term of this Contract; provided, however, to the extent the State has purchased a perpetual license to use the Contractor’s software, hardware or other services, such license shall remain in place unless expressly terminated in accordance with the terms of this Contract. Contractor acknowledges and agrees that, to the extent a Contractor Document provides for payment terms which differ from the payment terms set forth in Attachment B, such sections shall be waived and shall have no force and effect and the terms in Attachment B shall govern.

4. OWNERSHIP AND LICENSE IN DELIVERABLES

4.1 Contractor Intellectual Property. As between the parties, and subject to the terms and conditions of this Contract, Contractor and its third party suppliers will retain ownership of all intellectual property rights in the [System], and any and all derivative works made to the [System] or any part thereof, as well as all Work Product provided to the State (“**Contractor Proprietary Technology**”). The State acquires no rights to Contractor Proprietary Technology except for the licensed interests granted under this Contract. The term “**Work Product**” means all other materials, reports, manuals, visual aids, documentation, ideas, concepts, techniques, inventions,

processes, or works of authorship developed, provided or created by Contractor or its employees or contractors during the course of performing work for the State (excluding any State Data or derivative works thereof and excluding any output from the [System] generated by the State's use of the [System], including without limitation, reports, graphs, charts and modified State Data, but expressly including any form templates of such reports, graphs or charts by themselves that do not include the State Data).

Title, ownership rights, and all Intellectual Property Rights in and to the [System] will remain the sole property of Contractor or its suppliers. The State acknowledges that the source code is not covered by any license hereunder and will not be provided by Contractor. Except as set forth in this Contract, no right or implied license or right of any kind is granted to the State regarding the [System] or any part thereof. Nothing in this Contract confers upon either party any right to use the other party's trade names and trademarks, except for permitted license use in accordance with this Contract. All use of such marks by either party will inure to the benefit of the owner of such marks, use of which will be subject to specifications controlled by the owner.

- 4.2 **State Intellectual Property.** The State shall retain all right, title and interest in and to (i) all content and all property, data and information furnished by or on behalf of the State or any agency, commission or board thereof, and to all information that is created under this Contract, including, but not limited to, all data that is generated under this Contract as a result of the use by Contractor, the State or any third party of any technology systems or knowledge bases that are developed for the State and used by Contractor hereunder, and all other rights, tangible or intangible; and (ii) all State trademarks, trade names, logos and other State identifiers, Internet uniform resource locators, State user name or names, Internet addresses and e-mail addresses obtained or developed pursuant to this Contract (collectively, "**State Intellectual Property**").

Contractor may not collect, access or use State Intellectual Property for any purpose other than as specified in this Contract. Upon expiration or termination of this Contract, Contractor shall return or destroy all State Intellectual Property and all copies thereof, and Contractor shall have no further right or license to such State Intellectual Property.

Contractor acquires no rights or licenses, including, without limitation, intellectual property rights or licenses, to use State Intellectual Property for its own purposes. In no event shall the Contractor claim any security interest in State Intellectual Property.

5. CONFIDENTIALITY AND NON-DISCLOSURE; SECURITY BREACH REPORTING

- 5.1 For purposes of this Contract, confidential information will not include information or material which (a) enters the public domain (other than as a result of a breach of this Contract); (b) was in the receiving party's possession prior to its receipt from the disclosing party; (c) is independently developed by the receiving party without the use of confidential information; (d) is obtained by the receiving party from a third party under no obligation of confidentiality to the disclosing party; or (e) is not exempt from disclosure under applicable State law.

- 5.2 **Confidentiality of Contractor Information.** The Contractor acknowledges and agrees that this Contract and any and all Contractor information obtained by the State in connection with this Contract are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq. The State will not disclose information for which a reasonable claim of exemption can be made pursuant to 1 V.S.A. § 317(c), including, but not limited to, trade secrets, proprietary information

or financial information, including any formulae, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information which is not patented, which is known only to the Contractor, and which gives the Contractor an opportunity to obtain business advantage over competitors who do not know it or use it.

The State shall immediately notify Contractor of any request made under the Access to Public Records Act, or any request or demand by any court, governmental agency or other person asserting a demand or request for Contractor information. Contractor may, in its discretion, seek an appropriate protective order, or otherwise defend any right it may have to maintain the confidentiality of such information under applicable State law within three business days of the State's receipt of any such request. Contractor agrees that it will not make any claim against the State if the State makes available to the public any information in accordance with the Access to Public Records Act or in response to a binding order from a court or governmental body or agency compelling its production. Contractor shall indemnify the State for any costs or expenses incurred by the State, including, but not limited to, attorneys' fees awarded in accordance with 1 V.S.A. § 320, in connection with any action brought in connection with Contractor's attempts to prevent or unreasonably delay public disclosure of Contractor's information if a final decision of a court of competent jurisdiction determines that the State improperly withheld such information and that the improper withholding was based on Contractor's attempts to prevent public disclosure of Contractor's information.

The State agrees that (a) it will use the Contractor information only as may be necessary in the course of performing duties, receiving services or exercising rights under this Contract; (b) it will provide at a minimum the same care to avoid disclosure or unauthorized use of Contractor information as it provides to protect its own similar confidential and proprietary information; (c) except as required by the Access to Records Act, it will not disclose such information orally or in writing to any third party unless that third party is subject to a written confidentiality agreement that contains restrictions and safeguards at least as restrictive as those contained in this Contract; (d) it will take all reasonable precautions to protect the Contractor's information; and (e) it will not otherwise appropriate such information to its own use or to the use of any other person or entity.

Contractor may affix an appropriate legend to Contractor information that is provided under this Contract to reflect the Contractor's determination that any such information is a trade secret, proprietary information or financial information at time of delivery or disclosure.

5.3 Confidentiality of State Information. In performance of this Contract, and any exhibit or schedule hereunder, the Contractor acknowledges that certain State Data (as defined below), to which the Contractor may have access may contain individual federal tax information, personal protected health information and other individually identifiable information protected by State or federal law or otherwise exempt from disclosure under the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq. ("State Data").

State Data shall not be stored, accessed from, or transferred to any location outside the United States.

Unless otherwise instructed by the State, Contractor agrees to keep confidential all State Data. The Contractor agrees that (a) it will use the State Data only as may be necessary in the course of performing duties or exercising rights under this Contract; (b) it will provide at a minimum the same care to avoid disclosure or unauthorized use of State Data as it provides to protect its own

similar confidential and proprietary information; (c) it will not publish, reproduce, or otherwise divulge any State Data in whole or in part, in any manner or form orally or in writing to any third party unless it has received written approval from the State and that third party is subject to a written confidentiality agreement that contains restrictions and safeguards at least as restrictive as those contained in this Contract; (d) it will take all reasonable precautions to protect the State's information; and (e) it will not otherwise appropriate such information to its own use or to the use of any other person or entity. Contractor will take reasonable measures as are necessary to restrict access to State Data in the Contractor's possession to only those employees on its staff who must have the information on a "need to know" basis. The Contractor shall not retain any State Data except to the extent required to perform the services under this Contract.

Contractor shall not access State user accounts or State Data, except in the course of data center operations, response to service or technical issues, as required by the express terms of this Contract, or at State's written request.

Contractor may not share State Data with its parent company or other affiliate without State's express written consent.

The Contractor shall promptly notify the State of any request or demand by any court, governmental agency or other person asserting a demand or request for State Data to which the Contractor or any third party hosting service of the Contractor may have access, so that the State may seek an appropriate protective order.

6. SECURITY OF STATE INFORMATION

6.1 Security Standards. To the extent the Contractor or its subcontractors, affiliates or agents handles, collects, stores, disseminates or otherwise deals with State Data, the Contractor represents and warrants that it has implemented and it shall maintain during the term of this Contract the highest industry standard administrative, technical, and physical safeguards and controls consistent with NIST *Special Publication 800-53* (version 4 or higher) and *Federal Information Processing Standards Publication 200* and designed to (i) ensure the security and confidentiality of State Data; (ii) protect against any anticipated security threats or hazards to the security or integrity of the State Data; and (iii) protect against unauthorized access to or use of State Data. Such measures shall include at a minimum: (1) access controls on information systems, including controls to authenticate and permit access to State Data only to authorized individuals and controls to prevent the Contractor employees from providing State Data to unauthorized individuals who may seek to obtain this information (whether through fraudulent means or otherwise); (2) industry-standard firewall protection; (3) encryption of electronic State Data while in transit from the Contractor networks to external networks; (4) measures to store in a secure fashion all State Data which shall include, but not be limited to, encryption at rest and multiple levels of authentication; (5) dual control procedures, segregation of duties, and pre-employment criminal background checks for employees with responsibilities for or access to State Data; (6) measures to ensure that the State Data shall not be altered or corrupted without the prior written consent of the State; (7) measures to protect against destruction, loss or damage of State Data due to potential environmental hazards, such as fire and water damage; (8) staff training to implement the information security measures; and (9) monitoring of the security of any portions of the Contractor systems that are used in the provision of the services against intrusion on a twenty-four (24) hour a day basis.

6.2 Security Breach Notice and Reporting. The Contractor shall have policies and procedures in place for the effective management of Security Breaches, as defined below, which shall be made available to the State upon request.

In the event of any actual security breach or reasonable belief of an actual security breach the Contractor either suffers or learns of that either compromises or could compromise State Data (a “Security Breach”), the Contractor shall notify the State within 24 hours of its discovery. Contractor shall immediately determine the nature and extent of the Security Breach, contain the incident by stopping the unauthorized practice, recover records, shut down the system that was breached, revoke access and/or correct weaknesses in physical security. Contractor shall report to the State: (i) the nature of the Security Breach; (ii) the State Data used or disclosed; (iii) who made the unauthorized use or received the unauthorized disclosure; (iv) what the Contractor has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure; and (v) what corrective action the Contractor has taken or shall take to prevent future similar unauthorized use or disclosure. The Contractor shall provide such other information, including a written report, as reasonably requested by the State. Contractor shall analyze and document the incident and provide all notices required by applicable law.

In accordance with Section 9 V.S.A. §2435(b)(3), the Contractor shall notify the Office of the Attorney General, or, if applicable, Vermont Department of Financial Regulation (“DFR”), within fourteen (14) business days of the Contractor’s discovery of the Security Breach. The notice shall provide a preliminary description of the breach. The foregoing notice requirement shall be included in the subcontracts of any of Contractor’s subcontractors, affiliates or agents which may be “data collectors” hereunder.

The Contractor agrees to fully cooperate with the State and assume responsibility at its own expense for the following, to be determined in the sole discretion of the State: (i) notice to affected consumers if the State determines it to be appropriate under the circumstances of any particular Security Breach, in a form recommended by the AGO; and (ii) investigation and remediation associated with a Security Breach, including but not limited to, outside investigation, forensics, counsel, crisis management and credit monitoring, in the sole determination of the State.

The Contractor agrees to comply with all applicable laws, as such laws may be amended from time to time (including, but not limited to, Chapter 62 of Title 9 of the Vermont Statutes and all applicable State and federal laws, rules or regulations) that require notification in the event of unauthorized release of personally-identifiable information or other event requiring notification.

In addition to any other indemnification obligations in this Contract, the Contractor shall fully indemnify and save harmless the State from any costs, loss or damage to the State resulting from a Security Breach or the unauthorized disclosure of State Data by the Contractor, its officers, agents, employees, and subcontractors.

6.3 Security Policies. To the extent the Contractor or its subcontractors, affiliates or agents handles, collects, stores, disseminates or otherwise deals with State Data, the Contractor will have an information security policy that protects its systems and processes and media that may contain State Data from internal and external security threats and State Data from unauthorized disclosure, and will have provided a copy of such policy to the State. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

6.4 Operations Security. To the extent the Contractor or its subcontractors, affiliates or agents handles, collects, stores, disseminates or otherwise deals with State Data, the Contractor shall cause an SSAE 18 SOC 2 Type 2 audit report to be conducted annually. The audit results and the Contractor's plan for addressing or resolution of the audit results shall be shared with the State within sixty (60) days of the Contractor's receipt of the audit results. Further, on an annual basis, within 90 days of the end of the Contractor's fiscal year, the Contractor shall transmit its annual audited financial statements to the State.

6.5 Redundant Back-Up. The Contractor shall maintain a fully redundant backup data center geographically separated from its main data center that maintains near real-time replication of data from the main data center. The Contractor's back-up policies shall be made available to the State upon request. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

6.6 Vulnerability Testing. The Contractor shall run quarterly vulnerability assessments and promptly report results to the State. Contractor shall remediate all critical issues within 90 days, all medium issues within 120 days and low issues within 180 days. Contractor shall obtain written State approval for any exceptions. Once remediation is complete, Contractor shall re-perform the test.

7. CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

7.1 General Representations and Warranties. The Contractor represents, warrants and covenants that:

- (i) The Contractor has all requisite power and authority to execute, deliver and perform its obligations under this Contract and the execution, delivery and performance of this Contract by the Contractor has been duly authorized by the Contractor.
- (ii) There is no outstanding litigation, arbitrated matter or other dispute to which the Contractor is a party which, if decided unfavorably to the Contractor, would reasonably be expected to have a material adverse effect on the Contractor's ability to fulfill its obligations under this Contract.
- (iii) The Contractor will comply with all laws applicable to its performance of the services and otherwise to the Contractor in connection with its obligations under this Contract.
- (iv) The Contractor (a) owns, or has the right to use under valid and enforceable agreements, all intellectual property rights reasonably necessary for and related to delivery of the services and provision of the Deliverables as set forth in this Contract; (b) shall be responsible for and have full authority to license all proprietary and/or third party software modules, including algorithms and protocols, that Contractor incorporates into its product; and (c) none of the Deliverables or other materials or technology provided by the Contractor to the State will infringe upon or misappropriate the intellectual property rights of any third party.
- (v) The Contractor has adequate resources to fulfill its obligations under this Contract.
- (vi) Neither Contractor nor Contractor's subcontractors has past state or federal violations, convictions or suspensions relating to miscoding of employees in NCCI job codes for purposes of differentiating between independent contractors and employees.

7.2 Contractor's Performance Warranties. Contractor represents and warrants to the State that:

- (i) All Deliverables will be free from material errors and shall perform in accordance with the specifications therefor for a period of at least one year.
- (ii) Contractor will provide to the State commercially reasonable continuous and uninterrupted access to the Service, and will not interfere with the State's access to and use of the Service during the term of this Contract;
- (iii) The Service is compatible with and will operate successfully with any environment (including web browser and operating system) specified by the Contractor in its documentation;
- (iv) Each and all of the services shall be performed in a timely, diligent, professional and skillful manner, in accordance with the highest professional or technical standards applicable to such services, by qualified persons with the technical skills, training and experience to perform such services in the planned environment.
- (v) All Deliverables supplied by the Contractor to the State shall be transferred free and clear of any and all restrictions on the conditions of transfer, modification, licensing, sublicensing and free and clear of any and all liens, claims, mortgages, security interests, liabilities and encumbrances or any kind.
- (vi) Any time software is delivered to the State, whether delivered via electronic media or the internet, no portion of such software or the media upon which it is stored or delivered will have any type of software routine or other element which is designed to facilitate unauthorized access to or intrusion upon; or unrequested disabling or erasure of; or unauthorized interference with the operation of any hardware, software, data or peripheral equipment of or utilized by the State. Without limiting the generality of the foregoing, if the State believes that harmful code may be present in any software delivered hereunder, Contractor will, upon State's request, provide a new or clean install of the software. Notwithstanding the foregoing, Contractor assumes no responsibility for the State's negligence or failure to protect data from viruses, or any unintended modification, destruction or disclosure.
- (vii) To the extent Contractor resells commercial hardware or software it purchased from a third party, Contractor will, to the extent it is legally able to do so, pass through any such third party warranties to the State and will reasonably cooperate in enforcing them. Such warranty pass-through will not relieve the Contractor from Contractor's warranty obligations set forth herein.

7.3 Limitation on Disclaimer. The express warranties set forth in this Contract shall be in lieu of all other warranties, express or implied.

7.4 Effect of Breach of Warranty. If, at any time during the term of this Contract, software or the results of Contractor's work fail to perform according to any warranty of Contractor under this Contract, the State shall promptly notify Contractor in writing of such alleged nonconformance, and Contractor shall, at its own expense and without limiting any other rights or remedies of the State hereunder, re-perform or replace any services that the State has determined to be unsatisfactory in its reasonable discretion. Alternatively, with State consent, the Contractor may refund of all amounts paid by State for the nonconforming deliverable or service

8. PROFESSIONAL LIABILITY AND CYBER LIABILITY INSURANCE COVERAGE

In addition to the insurance required in Attachment C to this Contract, before commencing work on this Contract and throughout the term of this Contract, Contractor agrees to procure and maintain (a) Technology Professional Liability insurance for any and all services performed under this Contract, with minimum third party coverage of \$5,000,000 per claim, \$10,000,000 aggregate; and (b) first party Breach Notification Coverage of not less than \$2,000,000.

Before commencing work on this Contract the Contractor must provide certificates of insurance to show that the foregoing minimum coverages are in effect.

With respect to the first party Breach Notification Coverage, Contractor shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Contract.

9. LIMITATION OF LIABILITY.

CONTRACTOR'S LIABILITY FOR DAMAGES TO THE STATE ARISING OUT OF THE SUBJECT MATTER OF THIS CONTRACT SHALL NOT EXCEED THREE TIMES THE MAXIMUM AMOUNT PAYABLE UNDER THIS CONTRACT, OR \$10,000,000, WHICHEVER IS GREATER. LIMITS OF LIABILITY FOR STATE CLAIMS SHALL NOT APPLY TO STATE CLAIMS ARISING OUT OF: (A) CONTRACTOR'S OBLIGATION TO INDEMNIFY THE STATE; (B) CONTRACTOR'S CONFIDENTIALITY OBLIGATIONS TO THE STATE; (C) PERSONAL INJURY OR DAMAGE TO REAL OR PERSONAL PROPERTY; (D) CONTRACTOR'S GROSS NEGLIGENCE, FRAUD OR INTENTIONAL MISCONDUCT; OR (E) VIOLATIONS OF THE STATE OF VERMONT FRAUDULENT CLAIMS ACT. IN NO EVENT SHALL THIS LIMIT OF LIABILITY BE CONSTRUED TO LIMIT CONTRACTOR'S LIABILITY FOR THIRD PARTY CLAIMS AGAINST THE CONTRACTOR WHICH MAY ARISE OUT OF CONTRACTOR'S ACTS OR OMISSIONS IN THE PERFORMANCE OF THIS CONTRACT.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL OR SPECIAL DAMAGES, DAMAGES WHICH ARE UNFORESEEABLE TO THE PARTIES AT THE TIME OF CONTRACTING, DAMAGES WHICH ARE NOT PROXIMATELY CAUSED BY A PARTY, SUCH AS LOSS OF ANTICIPATED BUSINESS, OR LOST PROFITS, INCOME, GOODWILL, OR REVENUE IN CONNECTION WITH OR ARISING OUT OF THE SUBJECT MATTER OF THIS CONTRACT.

The provisions of this Section shall apply notwithstanding any other provisions of this Contract or any other agreement.

10. TRADE SECRET, PATENT AND COPYRIGHT INFRINGEMENT

The State shall not be deemed to waive any of its rights or remedies at law or in equity in the event of Contractor's trade secret, patent and/or copyright infringement.

12 REMEDIES FOR DEFAULT; NO WAIVER OF REMEDIES

In the event either party is in default under this Contract, the non-defaulting party may, at its option, pursue any or all of the remedies available to it under this Contract, including termination for cause, and at law or in equity.

No delay or failure to exercise any right, power or remedy accruing to either party upon breach or default by the other under this Contract shall impair any such right, power or remedy, or shall be construed as a waiver of any such right, power or remedy, nor shall any waiver of a single breach or default be deemed a waiver of any subsequent breach or default. All waivers must be in writing.

13 NO ASSUMPTION OF COSTS

Any requirement that the State defend or indemnify Contractor or otherwise be liable for the expenses or reimbursement, including attorneys' fees, collection costs or license verification costs of Contractor, is hereby deleted from the Contractor Documents.

14 TERMINATION

Upon termination of this Contract for any reason whatsoever, Contractor shall immediately deliver to the State all State information, State Intellectual Property or State Data (including without limitation any Deliverables for which State has made payment in whole or in part) ("State Materials"), that are in the possession or under the control of Contractor in whatever stage of development and form of recordation such State property is expressed or embodied at that time.

In the event the Contractor ceases conducting business in the normal course, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets or avails itself of or becomes subject to any proceeding under the Federal Bankruptcy Act or any statute of any state relating to insolvency or the protection of rights of creditors, the Contractor shall immediately return all State Materials to State control; including, but not limited to, making all necessary access to applicable remote systems available to the State for purposes of downloading all State Materials.

Contractor shall reasonably cooperate with other parties in connection with all services to be delivered under this Contract, including without limitation any successor provider to whom State Materials are to be transferred in connection with termination. Contractor shall assist the State in exporting and extracting the State Materials, in a format usable without the use of the Services and as agreed to by State, at no additional cost.

Any transition services requested by State involving additional knowledge transfer and support may be subject to a contract amendment for a fixed fee or at rates to be mutually agreed upon by the parties.

If the State determines in its sole discretion that a documented transition plan is necessary, then no later than sixty (60) days prior to termination, Contractor and the State shall mutually prepare a Transition Plan identifying transition services to be provided.

15. ACCESS TO STATE DATA:

The State may import or export State Materials in part or in whole at its sole discretion at any time (24 hours a day, seven (7) days a week, 365 days a year), during the term of this Contract or for up to [three (3) months] after the Term (so long as the State Materials remain in the Contractor's possession) without interference from the Contractor in a format usable without the Service and in an agreed-upon file format and medium at no additional cost to the State.

The Contractor must allow the State access to information such as system logs and latency statistics that affect its State Materials and or processes.

The Contractor's policies regarding the retrieval of data upon the termination of services have been made available to the State upon execution of this Contract under separate cover. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

16. AUDIT RIGHTS

Contractor will maintain and cause its permitted contractors to maintain a complete audit trail of all transactions and activities, financial and non-financial, in connection with this Contract. Contractor will provide to the State, its internal or external auditors, clients, inspectors, regulators and other designated representatives, at reasonable times (and in the case of State or federal regulators, at any time required by such regulators) access to Contractor personnel and to any and all Contractor facilities or where the required information, data and records are maintained, for the purpose of performing audits and inspections (including unannounced and random audits) of Contractor and/or Contractor personnel and/or any or all of the records, data and information applicable to this Contract.

At a minimum, such audits, inspections and access shall be conducted to the extent permitted or required by any laws applicable to the State or Contractor (or such higher or more rigorous standards, if any, as State or Contractor applies to its own similar businesses, operations or activities), to (i) verify the accuracy of charges and invoices; (ii) verify the integrity of State Data and examine the systems that process, store, maintain, support and transmit that data; (iii) examine and verify Contractor's and/or its permitted contractors' operations and security procedures and controls; (iv) examine and verify Contractor's and/or its permitted contractors' disaster recovery planning and testing, business resumption and continuity planning and testing, contingency arrangements and insurance coverage; and (v) examine Contractor's and/or its permitted contractors' performance of the Services including audits of: (1) practices and procedures; (2) systems, communications and information technology; (3) general controls and physical and data/information security practices and procedures; (4) quality initiatives and quality assurance, (5) contingency and continuity planning, disaster recovery and back-up procedures for processes, resources and data; (6) Contractor's and/or its permitted contractors' efficiency and costs in performing Services; (7) compliance with the terms of this Contract and applicable laws, and (9) any other matters reasonably requested by the State. Contractor shall provide and cause its permitted contractors to provide full cooperation to such auditors, inspectors, regulators and representatives in connection with audit functions and with regard to examinations by regulatory authorities, including the installation and operation of audit software.

17. DESTRUCTION OF STATE DATA

At any time during the term of this Contract within (i) thirty days of the State's written request or (ii) [three (3) months] of termination or expiration of this Contract for any reason, and in any event after the State has had an opportunity to export and recover the State Materials, Contractor shall at its own expense securely destroy and erase from all systems it directly or indirectly uses or controls all tangible or intangible forms of the State Materials, in whole or in part, and all copies thereof except such records as are required by law. The destruction of State Data and State Intellectual Property shall be performed according to National Institute of Standards and Technology (NIST) approved methods. Contractor shall certify in writing to the State that such State Data has been disposed of securely. To the extent that any applicable law prevents Contractor from destroying or erasing State Materials as set forth herein, Contractor shall retain, in its then current state, all such State Materials

then within its right of control or possession in accordance with the confidentiality, security and other requirements of this Contract, and perform its obligations under this section as soon as such law no longer prevents it from doing so.

Further, upon the relocation of State Data, Contractor shall securely dispose of such copies from the former data location and certify in writing to the State that such State Data has been disposed of securely. Contractor shall comply with all reasonable directions provided by the State with respect to the disposal of State Data.

18 CONTRACTOR BANKRUPTCY.

Contractor acknowledges that if Contractor, as a debtor in possession, or a trustee in bankruptcy in a case under Section 365(n) of Title 11, United States Code (the "Bankruptcy Code"), rejects this Contract, the State may elect to retain its rights under this Contract as provided in Section 365(n) of the Bankruptcy Code. Upon written request of the State to Contractor or the Bankruptcy Trustee, Contractor or such Bankruptcy Trustee shall not interfere with the rights of the State as provided in this Contract, including the right to obtain the State Intellectual Property.

19 SOFTWARE LICENSEE COMPLIANCE REPORT.

In lieu of any requirement that may be in a Contractor Document that the State provide the Contractor with access to its System for the purpose of determining State compliance with the terms of the Contractor Document, upon request and not more frequently than annually, the State will provide Contractor with a certified report concerning the State's use of any software licensed for State use pursuant this Contract. The parties agree that any non-compliance indicated by the report shall not constitute infringement of the licensor's intellectual property rights, and that settlement payment mutually agreeable to the parties shall be the exclusive remedy for any such non-compliance.

ATTACHMENT F

AGENCY OF HUMAN SERVICES' CUSTOMARY CONTRACT/GRANT PROVISIONS

1. **Definitions:** For purposes of this Attachment F, the term "Agreement" shall mean the form of the contract or grant, with all of its parts, into which this Attachment F is incorporated. The meaning of the term "Party" when used in this Attachment F shall mean any named party to this Agreement *other than* the State of Vermont, the Agency of Human Services (AHS) and any of the departments, boards, offices and business units named in this Agreement. As such, the term "Party" shall mean, when used in this Attachment F, the Contractor or Grantee with whom the State of Vermont is executing this Agreement. If Party, when permitted to do so under this Agreement, seeks by way of any subcontract, sub-grant or other form of provider agreement to employ any other person or entity to perform any of the obligations of Party under this Agreement, Party shall be obligated to ensure that all terms of this Attachment F are followed. As such, the term "Party" as used herein shall also be construed as applicable to, and describing the obligations of, any subcontractor, sub-recipient or sub-grantee of this Agreement. Any such use or construction of the term "Party" shall not, however, give any subcontractor, sub-recipient or sub-grantee any substantive right in this Agreement without an express written agreement to that effect by the State of Vermont.
2. **Agency of Human Services:** The Agency of Human Services is responsible for overseeing all contracts and grants entered by any of its departments, boards, offices and business units, however denominated. The Agency of Human Services, through the business office of the Office of the Secretary, and through its Field Services Directors, will share with any named AHS-associated party to this Agreement oversight, monitoring and enforcement responsibilities. Party agrees to cooperate with both the named AHS-associated party to this contract and with the Agency of Human Services itself with respect to the resolution of any issues relating to the performance and interpretation of this Agreement, payment matters and legal compliance.
3. **Medicaid Program Parties** (*applicable to any Party providing services and supports paid for under Vermont's Medicaid program and Vermont's Global Commitment to Health Waiver*):

Inspection and Retention of Records: In addition to any other requirement under this Agreement or at law, Party must fulfill all state and federal legal requirements, and will comply with all requests appropriate to enable the Agency of Human Services, the U.S. Department of Health and Human Services (along with its Inspector General and the Centers for Medicare and Medicaid Services), the Comptroller General, the Government Accounting Office, or any of their designees: (i) to evaluate through inspection or other means the quality, appropriateness, and timeliness of services performed under this Agreement; and (ii) to inspect and audit any records, financial data, contracts, computer or other electronic systems of Party relating to the performance of services under Vermont's Medicaid program and Vermont's Global Commitment to Health Waiver. Party will retain for ten years all documents required to be retained pursuant to 42 CFR 438.3(u).

Subcontracting for Medicaid Services: Notwithstanding any permitted subcontracting of services to be performed under this Agreement, Party shall remain responsible for ensuring that this Agreement is fully performed according to its terms, that subcontractor remains in compliance with the terms hereof, and that subcontractor complies with all state and federal laws and regulations relating to the Medicaid

program in Vermont. Subcontracts, and any service provider agreements entered into by Party in connection with the performance of this Agreement, must clearly specify in writing the responsibilities of the subcontractor or other service provider and Party must retain the authority to revoke its subcontract or service provider agreement or to impose other sanctions if the performance of the subcontractor or service provider is inadequate or if its performance deviates from any requirement of this Agreement. Party shall make available on request all contracts, subcontracts and service provider agreements between the Party, subcontractors and other service providers to the Agency of Human Services and any of its departments as well as to the Center for Medicare and Medicaid Services.

Medicaid Notification of Termination Requirements: Party shall follow the Department of Vermont Health Access Managed-Care-Organization enrollee-notification requirements, to include the requirement that Party provide timely notice of any termination of its practice.

Encounter Data: Party shall provide encounter data to the Agency of Human Services and/or its departments and ensure further that the data and services provided can be linked to and supported by enrollee eligibility files maintained by the State.

Federal Medicaid System Security Requirements Compliance: Party shall provide a security plan, risk assessment, and security controls review document within three months of the start date of this Agreement (and update it annually thereafter) in order to support audit compliance with 45 CFR 95.621 subpart F, *ADP System Security Requirements and Review Process*.

4. **Workplace Violence Prevention and Crisis Response** *(applicable to any Party and any subcontractors and sub-grantees whose employees or other service providers deliver social or mental health services directly to individual recipients of such services):*

Party shall establish a written workplace violence prevention and crisis response policy meeting the requirements of Act 109 (2016), 33 VSA §8201(b), for the benefit of employees delivering direct social or mental health services. Party shall, in preparing its policy, consult with the guidelines promulgated by the U.S. Occupational Safety and Health Administration for *Preventing Workplace Violence for Healthcare and Social Services Workers*, as those guidelines may from time to time be amended.

Party, through its violence protection and crisis response committee, shall evaluate the efficacy of its policy, and update the policy as appropriate, at least annually. The policy and any written evaluations thereof shall be provided to employees delivering direct social or mental health services.

Party will ensure that any subcontractor and sub-grantee who hires employees (or contracts with service providers) who deliver social or mental health services directly to individual recipients of such services, complies with all requirements of this Section.

5. **Non-Discrimination:**

Party shall not discriminate, and will prohibit its employees, agents, subcontractors, sub-grantees and other service providers from discrimination, on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under Title IX of the Education Amendments of 1972, and on the basis of race, color or national origin under Title VI of the Civil Rights Act of 1964. Party shall not refuse, withhold from or deny to any person the benefit of services, facilities, goods, privileges, advantages, or benefits of public accommodation on

the basis of disability, race, creed, color, national origin, marital status, sex, sexual orientation or gender identity as provided by Title 9 V.S.A. Chapter 139.

No person shall on the grounds of religion or on the grounds of sex (including, on the grounds that a woman is pregnant), be excluded from participation in, be denied the benefits of, or be subjected to discrimination, to include sexual harassment, under any program or activity supported by State of Vermont and/or federal funds.

Party further shall comply with the non-discrimination requirements of Title VI of the Civil Rights Act of 1964, 42 USC Section 2000d, et seq., and with the federal guidelines promulgated pursuant to Executive Order 13166 of 2000, requiring that contractors and subcontractors receiving federal funds assure that persons with limited English proficiency can meaningfully access services. To the extent Party provides assistance to individuals with limited English proficiency through the use of oral or written translation or interpretive services, such individuals cannot be required to pay for such services.

6. **Employees and Independent Contractors:**

Party agrees that it shall comply with the laws of the State of Vermont with respect to the appropriate classification of its workers and service providers as “employees” and “independent contractors” for all purposes, to include for purposes related to unemployment compensation insurance and workers compensation coverage, and proper payment and reporting of wages. Party agrees to ensure that all of its subcontractors or sub-grantees also remain in legal compliance as to the appropriate classification of “workers” and “independent contractors” relating to unemployment compensation insurance and workers compensation coverage, and proper payment and reporting of wages. Party will on request provide to the Agency of Human Services information pertaining to the classification of its employees to include the basis for the classification. Failure to comply with these obligations may result in termination of this Agreement.

7. **Data Protection and Privacy:**

Protected Health Information: Party shall maintain the privacy and security of all individually identifiable health information acquired by or provided to it as a part of the performance of this Agreement. Party shall follow federal and state law relating to privacy and security of individually identifiable health information as applicable, including the Health Insurance Portability and Accountability Act (HIPAA) and its federal regulations.

Substance Abuse Treatment Information: Substance abuse treatment information shall be maintained in compliance with 42 C.F.R. Part 2 if the Party or subcontractor(s) are Part 2 covered programs, or if substance abuse treatment information is received from a Part 2 covered program by the Party or subcontractor(s).

Protection of Personal Information: Party agrees to comply with all applicable state and federal statutes to assure protection and security of personal information, or of any personally identifiable information (PII), including the Security Breach Notice Act, 9 V.S.A. § 2435, the Social Security Number Protection Act, 9 V.S.A. § 2440, the Document Safe Destruction Act, 9 V.S.A. § 2445 and 45 CFR 155.260. As used here, PII shall include any information, in any medium, including electronic, which can be used to distinguish or trace an individual’s identity, such as his/her name, social security number, biometric records, etc., either

alone or when combined with any other personal or identifiable information that is linked or linkable to a specific person, such as date and place of birth, mother's maiden name, etc.

Other Confidential Consumer Information: Party agrees to comply with the requirements of AHS Rule No. 08-048 concerning access to and uses of personal information relating to any beneficiary or recipient of goods, services or other forms of support. Party further agrees to comply with any applicable Vermont State Statute and other regulations respecting the right to individual privacy. Party shall ensure that all of its employees, subcontractors and other service providers performing services under this agreement understand and preserve the sensitive, confidential and non-public nature of information to which they may have access.

Data Breaches: Party shall report to AHS, through its Chief Information Officer (CIO), any impermissible use or disclosure that compromises the security, confidentiality or privacy of any form of protected personal information identified above within 24 hours of the discovery of the breach. Party shall in addition comply with any other data breach notification requirements required under federal or state law.

8. **Abuse and Neglect of Children and Vulnerable Adults:**

Abuse Registry. Party agrees not to employ any individual, to use any volunteer or other service provider, or to otherwise provide reimbursement to any individual who in the performance of services connected with this agreement provides care, custody, treatment, transportation, or supervision to children or to vulnerable adults if there has been a substantiation of abuse or neglect or exploitation involving that individual. Party is responsible for confirming as to each individual having such contact with children or vulnerable adults the non-existence of a substantiated allegation of abuse, neglect or exploitation by verifying that fact through (a) as to vulnerable adults, the Adult Abuse Registry maintained by the Department of Disabilities, Aging and Independent Living and (b) as to children, the Central Child Protection Registry (unless the Party holds a valid child care license or registration from the Division of Child Development, Department for Children and Families). See 33 V.S.A. §4919(a)(3) and 33 V.S.A. §6911(c)(3).

Reporting of Abuse, Neglect, or Exploitation. Consistent with provisions of 33 V.S.A. §4913(a) and §6903, Party and any of its agents or employees who, in the performance of services connected with this agreement, (a) is a caregiver or has any other contact with clients and (b) has reasonable cause to believe that a child or vulnerable adult has been abused or neglected as defined in Chapter 49 or abused, neglected, or exploited as defined in Chapter 69 of Title 33 V.S.A. shall: as to children, make a report containing the information required by 33 V.S.A. §4914 to the Commissioner of the Department for Children and Families within 24 hours; or, as to a vulnerable adult, make a report containing the information required by 33 V.S.A. §6904 to the Division of Licensing and Protection at the Department of Disabilities, Aging, and Independent Living within 48 hours. Party will ensure that its agents or employees receive training on the reporting of abuse or neglect to children and abuse, neglect or exploitation of vulnerable adults.

9. **Information Technology Systems:**

Computing and Communication: Party shall select, in consultation with the Agency of Human Services' Information Technology unit, one of the approved methods for secure access to the State's systems and

data, if required. Approved methods are based on the type of work performed by the Party as part of this agreement. Options include, but are not limited to:

1. Party's provision of certified computing equipment, peripherals and mobile devices, on a separate Party's network with separate internet access. The Agency of Human Services' accounts may or may not be provided.
2. State supplied and managed equipment and accounts to access state applications and data, including State issued active directory accounts and application specific accounts, which follow the National Institutes of Standards and Technology (NIST) security and the Health Insurance Portability & Accountability Act (HIPAA) standards.

Intellectual Property/Work Product Ownership: All data, technical information, materials first gathered, originated, developed, prepared, or obtained as a condition of this agreement and used in the performance of this agreement -- including, but not limited to all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and printouts, notes and memoranda, written procedures and documents, which are prepared for or obtained specifically for this agreement, or are a result of the services required under this grant -- shall be considered "work for hire" and remain the property of the State of Vermont, regardless of the state of completion unless otherwise specified in this agreement. Such items shall be delivered to the State of Vermont upon 30-days notice by the State. With respect to software computer programs and / or source codes first developed for the State, all the work shall be considered "work for hire," i.e., the State, not the Party (or subcontractor or sub-grantee), shall have full and complete ownership of all software computer programs, documentation and/or source codes developed.

Party shall not sell or copyright a work product or item produced under this agreement without explicit permission from the State of Vermont.

If Party is operating a system or application on behalf of the State of Vermont, Party shall not make information entered into the system or application available for uses by any other party than the State of Vermont, without prior authorization by the State. Nothing herein shall entitle the State to pre-existing Party's materials.

Party acknowledges and agrees that should this agreement be in support of the State's implementation of the Patient Protection and Affordable Care Act of 2010, Party is subject to the certain property rights provisions of the Code of Federal Regulations and a Grant from the Department of Health and Human Services, Centers for Medicare & Medicaid Services. Such agreement will be subject to, and incorporates here by reference, 45 CFR 74.36, 45 CFR 92.34 and 45 CFR 95.617 governing rights to intangible property.

Security and Data Transfers: Party shall comply with all applicable State and Agency of Human Services' policies and standards, especially those related to privacy and security. The State will advise the Party of any new policies, procedures, or protocols developed during the term of this agreement as they are issued and will work with the Party to implement any required.

Party will ensure the physical and data security associated with computer equipment, including desktops, notebooks, and other portable devices, used in connection with this Agreement. Party will also assure

that any media or mechanism used to store or transfer data to or from the State includes industry standard security mechanisms such as continually up-to-date malware protection and encryption. Party will make every reasonable effort to ensure media or data files transferred to the State are virus and spyware free. At the conclusion of this agreement and after successful delivery of the data to the State, Party shall securely delete data (including archival backups) from Party's equipment that contains individually identifiable records, in accordance with standards adopted by the Agency of Human Services.

Party, in the event of a data breach, shall comply with the terms of Section 6 above.

10. **Other Provisions:**

Environmental Tobacco Smoke. Public Law 103-227 (also known as the Pro-Children Act of 1994) and Vermont's Act 135 (2014) (An act relating to smoking in lodging establishments, hospitals, and child care facilities, and on State lands) restrict the use of tobacco products in certain settings. Party shall ensure that no person is permitted: (i) to use tobacco products or tobacco substitutes as defined in 7 V.S.A. § 1001 on the premises, both indoor and outdoor, of any licensed child care center or afterschool program at any time; (ii) to use tobacco products or tobacco substitutes on the premises, both indoor and in any outdoor area designated for child care, health or day care services, kindergarten, pre-kindergarten, elementary, or secondary education or library services; and (iii) to use tobacco products or tobacco substitutes on the premises of a licensed or registered family child care home while children are present and in care. Party will refrain from promoting the use of tobacco products for all clients and from making tobacco products available to minors.

Failure to comply with the provisions of the federal law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity. The federal Pro-Children Act of 1994, however, does not apply to portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, & Children (WIC) coupons are redeemed.

2-1-1 Database: If Party provides health or human services within Vermont, or if Party provides such services near the Vermont border readily accessible to residents of Vermont, Party shall adhere to the "Inclusion/Exclusion" policy of Vermont's United Way/Vermont 211 (Vermont 211), and will provide to Vermont 211 relevant descriptive information regarding its agency, programs and/or contact information as well as accurate and up to date information to its database as requested. The "Inclusion/Exclusion" policy can be found at www.vermont211.org.

Voter Registration: When designated by the Secretary of State, Party agrees to become a voter registration agency as defined by 17 V.S.A. §2103 (41), and to comply with the requirements of state and federal law pertaining to such agencies.

Drug Free Workplace Act: Party will assure a drug-free workplace in accordance with 45 CFR Part 76.

Lobbying: No federal funds under this agreement may be used to influence or attempt to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, continuation, renewal, amendments other than federal appropriated funds.

AHS ATT. F 12.31.16

13. GLOSSARY OF TERMS

13.1 ACRONYMS

AASHTOWare: American Association of State Highway and Transportation official software

ADA: American with Disabilities Act

ADS: Agency of Digital Services (formerly Department of Innovation and Information)

AGO: Attorney General's Office

AOA: Agency of Administration

AHS: Agency of Human Resources for the State of Vermont

API: Application Programming Interface

BAFO: Best and Final Offer

BGS: Building and General Services

BI: Business Intelligence

BU: Business Unit

CFR: Code of Federal Regulations

CIO: Chief Information Officer

COI: Certificate of Insurance

COTS: Commercial Off the Shelf

CTO: Chief Technology Officer

CTS: Contract Tracking System

D2D: Disk-to-Disk

DFR: Department of Financial Regulation

DII: Department of Innovation and Information (now ADS)

DBE: Disadvantaged Business Enterprise

DSS: Data Security Standard

EBB: Electronic Bulletin Board

ECM: Enterprise Content Management

EDH: Enterprise Data Hub

EDI: Electronic Data Interchange

EEO: Equal Employment Opportunity

EPMO: Enterprise Project Management Office

ERP: Enterprise Resource Planning

ERS: Evaluated Receipt Settlement

ESB: Enterprise Service Bus

ETL: Extract, Transform and Load

FedRAMP: Federal Risk and Authorization Management Program

FEIN: Federal Employer Identification Number

FIPS: Federal Information Processing Standard
FISMA: Federal Information Security Management Act
FOIA: Freedom of Information Act
FSCM: Financial Supply Chain Management
GPC: Global Products Classification
HIPAA: Health Insurance Portability and Accountability Act
ISA: Internal Security Act
IT: Information Technology
ITIL: Information Technology Infrastructure Library
ITSM: IT Service Management
KPI: Key Performance Indicators
LAN: Local Area Network
MATS: Managing Assets for Transportation
MBE: Minority Business Enterprise
MOSS: Microsoft Office SharePoint Server
MWBE: Minority and Women Business Enterprise
NAICS: North American Industry Classification System
NCCI: National Correct Coding Initiative
NDA: Non-Disclosure Agreement
NIGP: National Institute of Government Purchasing
NIST: National Institute of Standards and Technology
OCR: Optical Character Recognition
OPC: Office of Purchasing and Contracting
PCARD: Purchasing Card
PCI: Payment Card Industry
PII: Personally Identifiable Information
PMBOK: Project Management Body of Knowledge
PMI: Project Management Institute
REQ: Requisition
RFC: Request for Comment
RFI: Request for Information
RFP: Request for Proposal
RFQ: Request for Quotation
RFx: Refers to RFP, RFI, RFQ, RFC
RPO: Recovery Point Objective
RTM: Requirements Traceability Matrix
RTO: Recovery Time Objective
SaaS: Software as a Service

SAS: Statement on Auditing Standards
SLA: Service Level Agreement
SOA: Service Oriented Architecture
SOAP: Simple Object Access Protocol
SOV: State of Vermont
SOW: Statement of Work
SQL: Structured Query Language
SSAE: Statement on Standards for Attestation Engagements
SSDP: Simple Service Discovery Protocol
SSL: Secure Sockets Layer
STARS: State Transportation and Reporting System
TIN: Tax Identification Number
TLS: Transport Layer Security
UAT: User Acceptance Testing
UNSPSC: United Nations Standard Products and Services Code
VBE: Veteran Business Enterprise
VCI: Vermont Correctional Industries
VISION: Vermont Integrated Solution for Information and Organizational Needs
VTRANS: Vermont Agency of Transportation
WBE: Woman Business Enterprise
WIP: Work in Process

13.2 DEFINITIONS

Agencies: Refers to the State of Vermont, Agency: an Agency, department, commission, committee, authority, division, board, or other administrative unit of the Executive Branch, including the elected offices as well as those having express statutory authority to enter into contracts.

Agency of Digital Services (ADS): (formerly Department of Innovation and Information) ADS is comprised of nine Agency IT teams working in collaboration with their Agency partners to deliver information technology solutions and services. At the core of ADS, the Divisions of Shared Services, Data, Security, Enterprise Architecture, and Project Management help ensure information technology services are standardized, coordinated, secure, and cost-effective across Vermont State government.

Addendum: means an addition to or amendment of a bid solicitation (e.g., Request for Proposal or other documents that formally solicit bids).

Amendment: means a written, official change made to a contract.

Attachment: Applies to all forms which are included with an RFP to incorporate any informational data or requirements related to the performance requirements and/or specifications.

Bidder: Person or firm who submits a response resulting from a Competitive Bid

Business Process Re-engineering (BPR): A process by which State agencies and other relevant stakeholders' business processes are mapped and documented in the form of As-Is and To-Be diagrams, and a gap analysis is performed to guide enhancement of current processes

Catalog: A list of products or services offered by a Supplier for purchase in the State's eProcurement system. The list of items may be provided in the format of an electronic file stored within the eProcurement system, a Punchout connection to a website provided by the Supplier, or through a real-time connection (e.g. API, Web Service) that accesses/queries a Supplier provided database or system.

Change: Any deviation from any agreed upon artifact of the initiative (i.e., charter, Schedule, scope, etc.).

Contract: any legally enforceable agreement by which the State purchases products or services needed to carry out a project or program. (The term Contract includes all such agreements whether or not characterized as a "contract," "agreement," "purchase order," "procurement," "license agreement," "maintenance agreement," "support agreement," or other similar term, but, does not include a legal agreement where the substance of the agreement meets the definition of a grant or subaward as defined in [Agency of Administration Bulletin 5](#).

Contractor: any party with which the State has a signed Contract.

Convert: The process by which electronic or non-electronic files or records are modified to correspond to a new format, typically an electronic format.

Discovery: Any work associated with capturing current and future State requirements of a system or process.

eProcurement System/Solution: A comprehensive solution automating all procurement processes and functions. This term is sometimes misunderstood as only referring to a catalog shopping interface.

External: A person, group, or organization that operates outside of the State of Vermont procurement processes.

Governance: Controls and oversight of State procurement processes.

Hosted Catalog: An electronic file of products or services offered by a Supplier for purchase that is stored within the State's eProcurement system.

Integration: The rules, formats and functions required to pass data, commands, events, or messages in real time between two or more systems and components. This is commonly done at an individual transaction level.

Interface: Data exchange in a batch processing mode between different application systems or organizations. This is commonly done as a set of transactions.

Issue: Anything that will or is causing a concern, delay, error or failure.

Matching: refers to the process of validating the invoice unit price based on the purchase order and the invoice quantity based on the sum of the received lines (assuming statuses such as accepted, rejected, returned, etc.).

Migrate: The process of transferring data between computer storage types or systems which in some cases may require to convert file or record formats.

Non-State Entities: The term used in this RFP to represent Political Subdivisions, Higher Education Institutions and all other entities authorized to use State contracts in which the State intends to provide access and use of the eProcurement Solution.

Offeror: The person or organization that responds to an RFP by submitting a proposal with prices to provide the equipment, supplies, and/or services as required in the RFP document.

Organizational Change Management (OCM): A process for transitioning individuals and organizations to a desired future state.

Production Environment: Also, known as Live system or environment is the system/application in which the users access and conduct the organization's official business. The Production Environment is also usually considered part of the organization's systems of record.

Punchouts: A website hosted by a Supplier accessed through a secure connection from within the State's eProcurement system that provides a shopping experience to access to products or services offered by a Supplier for purchase. Selected products/services are automatically returned to the State's eProcurement system to populate a purchase request within the system. Typically used in situations where there is large number of items which may have fluctuating prices (e.g. percent off list) or where the selection requires configuration or collaboration with the Supplier to determine the specific good/service desired.

Purchasing Agent: A person in the Office of Purchasing and Contracting responsible for conducting sourcing events and issuing/managing contracts for State Agencies and Departments within their responsibility.

Readiness Assessment: To determine the impact and overall scope of change to current policies, processes, people, and technologies and identify needs and recommendations to prepare the State for deployment of an eProcurement solution.

Recovery Point Objective (RPO)/Recovery Time Objective (RTO): One of the most important parameters of a disaster recovery or data protection plan. These objectives guide the enterprises to choose an optimal data backup (rather restore) plan.

Requirements Traceability Matrix: A document which identifies the correlation of a system's functionalities to their originating business or functional requirements and is used to define testing scenarios and scripts for validation of the correlation.

Requisition: An internal document by which a using agency sends details of supplies, services, or materials required to the purchasing authority.

Responder: An entity that chooses to respond to a State issued RFP

Request for Proposal: A process used to solicit Competitive Sealed Proposals (CSP's) from vendors for more complex goods and services such as information technology systems and services, medical equipment, etc. Also refers to all documents used for soliciting Competitive Sealed Proposals.

Risk: Anything that may cause the initiative's plan to be impacted (either good or bad). There is usually a condition that may trigger the risk to become an issue.

Rollouts: A series of system functionality deployed to grouped sets of agencies and other entities in defined intervals of time.

Silanis eSign: A 3rd party esign platform utilized by the state in various capacities to capture electronic signatures

Solicitation: The general term given to documents that are used to advertise a requirement and request vendors to submit quotes, responses, proposals, or qualify for a second stage of solicitation. A solicitation can include Informal Bids (phone bids, written quotes) and Formal Bids (sealed, closed bids).

Stakeholder: An individual, group, or organization who may affect, be affected by, or perceive itself to be affected by a decision, activity, or outcome of the project.

State: refers to the State of Vermont, an Agency, department, commission, committee, authority, division, board, or other administrative unit of the Executive Branch, including the elected offices as well as those having express statutory authority to enter into contracts.

Statement of Work: A descriptive project-specific document that defines activities, deliverables and timelines along with associated costs provided by a vendor to the State.

State of Vermont: same as State

Statewide Contract: A statewide contract, awarded by GSD/OIT, is a contract that has gone through a competitive bidding or competitive procurement process that legally satisfies the bidding requirements of the State. Statewide contracts are typically for products and/or services that are needed across agencies and result in high volume purchases. Local government agencies who are members of Purchasing's cooperative procurement program can utilize statewide contracts to purchase products and services.

Supplier: Same as vendor

System of Record: A system in which an organization's official records are maintained and is the reference for the organization's official business.

Unit Testing: A software testing method by which individual units of source code are tested for correct functionality.

User: A general term that is representative of the different organizations, groups, or roles that use the Solution such as State Agencies and Departments, Non-State Entities, Vendors, etc.

Vendor: An individual or business that desires to and is doing business with the State.

Work Breakdown Structure: A project planning tool which is an actionable and deliverable-oriented breakdown of a project overall scope of work into smaller chunks.