



## RFP No: 3837

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INVITATION: Sealed proposals, subject to the attached conditions, will be received at this office until May 4, 2016 @ 3:00 p.m. Central Time for the acquisition of the products/services described below for Mississippi Department of Human Services.

Acquisition of Weatherization Management Software for the Division of Community Services (DCS) the Mississippi Department of Human Services (MDHS) – Division of Community Services (DCS)

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**The Vendor must submit proposals and direct inquiries to:**

Donna Hamilton  
Technology Consultant  
Information Technology Services  
3771 Eastwood Drive  
Jackson, MS 39211  
(601) 432-8114  
Donna.Hamilton@its.ms.gov

To prevent opening by unauthorized individuals, all copies of the proposal must be sealed in the package. The following must be clearly typed on a label affixed to the package in a clearly visible location:

PROPOSAL, SUBMITTED IN RESPONSE TO  
RFP NO. 3837  
due May 4, 2016 @ 3:00 p.m.,  
ATTENTION: Donna Hamilton

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**Craig P. Orgeron, Ph.D.**  
**Executive Director, ITS**

## ITS RFP Response Checklist

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RFP Response Checklist: These items should be included in your response to RFP No. 3837.

- \_\_\_\_\_ 1) One clearly marked original response and 8 identical copy/copies of the complete proposal. Label the front and spine of the three-ring loose-leaf binder with the Vendor name and RFP number. Include the items listed below inside the binder. Please DO NOT include a copy of the RFP in the binder.
- \_\_\_\_\_ 2) *Submission Cover Sheet*, signed and dated. (Section I)
- \_\_\_\_\_ 3) *Proposal Bond*, if applicable (Section I)
- \_\_\_\_\_ 4) *Proposal Exception Summary*, if applicable (Section V)
- \_\_\_\_\_ 5) Vendor response to *RFP Questionnaire* (Section VI)
- \_\_\_\_\_ 6) Point-by-point response to *Technical Specifications* (Section VII)
- \_\_\_\_\_ 7) Vendor response to *Cost Information Submission* (Section VIII)
- \_\_\_\_\_ 8) *References* (Section IX)

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**SECTION I  
SUBMISSION COVER SHEET & CONFIGURATION SUMMARY**

Provide the following information regarding the person responsible for the completion of your proposal. This person should also be the person the Mississippi Department of Information Technology Services, (ITS), should contact for questions and/or clarifications.

Name	_____	Phone #	_____
Address	_____	Fax #	_____
	_____	E-mail	_____

Subject to acceptance by ITS, the Vendor acknowledges that by submitting a proposal AND signing in the space indicated below, the Vendor is contractually obligated to comply with all items in this Request for Proposal (RFP), including the Standard Contract in Exhibit A if included herein, except those listed as exceptions on the Proposal Exception Summary Form. If no *Proposal Exception Summary Form* is included, the Vendor is indicating that he takes no exceptions. This acknowledgement also contractually obligates any and all subcontractors that may be proposed. Vendors who sign below may not later take exception to any point during contract negotiations. The Vendor further certifies that the company represented here is an authorized dealer in good standing of the products/services included in this proposal.

\_\_\_\_\_/\_\_\_\_\_  
**Original signature** of Officer in Bind of Company/Date

Name (typed or printed) \_\_\_\_\_  
Title \_\_\_\_\_  
Company name \_\_\_\_\_  
Physical address \_\_\_\_\_  
State of Incorporation \_\_\_\_\_

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**CONFIGURATION SUMMARY**

The Vendor must provide a summary of the main components of products/services offered in this proposal using 100 words or less.

## **PROPOSAL BONDS**

A Proposal Bond is not required for this procurement.

## SECTION II PROPOSAL SUBMISSION REQUIREMENTS

The objective of the Proposal Submission Requirements section is to provide Vendors with the information required to submit a response to this Request for Proposal (RFP). A Vendor who has responded to previous RFPs issued by **ITS** should not assume that the requirements are the same, as changes may have been made.

1. Failure to follow any instruction within this RFP may, at the State's sole discretion, result in the disqualification of the Vendor's proposal.
2. The State has no obligation to locate or acknowledge any information in the Vendor's proposal that is not presented under the appropriate outline according to these instructions and in the proper location.
3. The Vendor's proposal must be received, in writing, by the office of **ITS** by the date and time specified. **ITS** is not responsible for any delays in delivery or expenses for the development or delivery of proposals. Any proposal received after proposal opening time will be returned unopened. Any proposal received with insufficient postage will be returned unopened.
4. Proposals or alterations by fax, e-mail, or phone will not be accepted.
5. Original signatures are required on one copy of the Submission Cover Sheet and Configuration Summary, and the Vendor's original submission must be clearly identified as the original. The Vendor's original proposal must include the Proposal Bond, (if explicitly required in Section IV).
6. **ITS** reserves the right to reject any proposals, including those with exceptions, prior to and at any time during negotiations.
7. **ITS** reserves the right to waive any defect or irregularity in any proposal procedure.
8. The Vendor may intersperse their response following each RFP specification but must not otherwise alter or rekey any of the original text of this RFP. If the State determines that the Vendor has altered any language in the original RFP, the State may, in its sole discretion, disqualify the Vendor from further consideration. The RFP issued by **ITS** is the official version and will supersede any conflicting RFP language submitted by the Vendor.
9. The Vendor must conform to the following standards in the preparation of the Vendor's proposal:
  - 9.1 The Vendor is required to submit one clearly marked original response and **8** identical copy/copies of the complete proposal, including all sections and exhibits, in three-ring binders.
  - 9.2 To prevent opening by unauthorized individuals, all copies of the proposal must be sealed in the package. A label containing the information on the RFP cover page must be clearly typed and affixed to the package in a clearly visible location.

- 9.3 Number each page of the proposal.
- 9.4 Respond to the sections and exhibits in the same order as this RFP.
- 9.5 Label and tab the responses to each section and exhibit, using the corresponding headings from the RFP.
- 9.6 If the Vendor does not agree with any item in any section, then the Vendor must list the item on the *Proposal Exception Summary Form*. (See Section V for additional instructions regarding Vendor exceptions.)
- 9.7 Occasionally, an outline point in an attachment requests information which is not applicable to the products/services proposed. If the Vendor is certain the point does not apply to the given RFP, the Vendor should respond with "NOT APPLICABLE."
- 9.8 Where an outline point asks a question or requests information, the Vendor must respond with the specific answer or information requested.
- 9.9 When an outline point/attachment is a statement provided for the Vendor's information only, the Vendor need only read that point. The Vendor acknowledges having read and accepting, or taking exception to, all sections by signing the *Submission Cover Sheet* and providing a *Proposal Exception Summary Form*.
- 9.10 Where a minimum requirement has been identified, respond by stating the item (e.g., device name/model number, guaranteed response time) proposed and how it will meet the specifications.
- 9.11 The Vendor must fully respond to each requirement within the *Technical Specifications* by fully describing the manner and degree by which the proposal meets or exceeds said requirements.
10. It is the responsibility of the Vendor to clearly identify all costs associated with any item or series of items in this RFP. The Vendor must include and complete all parts of the cost proposal in a clear and accurate manner. **Omissions, errors, misrepresentations, or inadequate details in the Vendor's cost proposal may be grounds for rejection of the Vendor's proposal. Costs that are not clearly identified will be borne by the Vendor.** The Vendor must complete the *Cost Information Submission* in this RFP, which outlines the minimum requirements for providing cost information. The Vendor should supply supporting details as described in the *Cost Information Submission*.
11. **ITS** reserves the right to request additional information or clarification of a Vendor's proposal. The Vendor's cooperation during the evaluation process in providing **ITS** staff with adequate responses to requests for clarification will be considered a factor in the evaluation of the Vendor's overall responsiveness. Lack of such cooperation or failure to provide the information in the manner required may, at the State's discretion, result in the disqualification of the Vendor's proposal.

12. Unsolicited clarifications and updates submitted after the deadline for proposals will be accepted or rejected at the sole discretion of **ITS**.
13. Unsolicited clarifications in the evaluation and selection of lowest and best proposal will be considered only if all the following conditions are met:
  - 13.1 A clarification to a proposal that includes a newly announced product line or service with equal or additional capability to be provided at or less than the proposed price will be considered.
  - 13.2 Information provided must be in effect nationally and have been formally and publicly announced through a news medium that the Vendor normally uses to convey customer information.
  - 13.3 Clarifications must be received early enough in the evaluation process to allow adequate time for re-evaluation.
  - 13.4 The Vendor must follow procedures outlined herein for submitting updates and clarifications.
  - 13.5 The Vendor must submit a statement outlining the circumstances for the clarification.
  - 13.6 The Vendor must submit one clearly marked original and **8** copies of the clarification.
  - 13.7 The Vendor must be specific about which part of the original proposal is being changed by the clarification (i.e., must include exact RFP reference to section and outline point).
14. **Communications with State**

From the issue date of this RFP until a Vendor is selected and the selection is announced, responding Vendors or their representatives may not communicate, either orally or in writing regarding this RFP with any statewide elected official, state officer or employee, member of the legislature or legislative employee except as noted herein. To ensure equal treatment for each responding Vendor, all questions regarding this RFP must be submitted in writing to the State's contact person for the selection process, and not later than the last date for accepting responding Vendor questions provided in this RFP. All such questions will be answered officially by the State in writing. All such questions and answers will become addenda to this RFP, and they will be posted to the ITS web site. Vendors failing to comply with this requirement will be subject to disqualification.

  - 14.1 The State's contact person for the selection process is: Donna Hamilton, Technology Consultant, 3771 Eastwood Drive, Jackson, MS 39211, 601-432-8114, Donna.Hamilton@its.ms.gov.
  - 14.2 Vendor may consult with State representatives as designated by the State's contact person identified in 14.1 above in response to State-initiated inquiries. Vendor may consult with State representatives during scheduled oral presentations and demonstrations excluding site visits.



## **SECTION III VENDOR INFORMATION**

The objective of the Vendor Information section of this RFP is to provide Vendors with information required to respond to the RFP successfully.

1. **Interchangeable Designations**

The terms "Vendor" and "Contractor" are referenced throughout this RFP. Generally, references to the "Vendor" are used in conjunction with the proposing organization and procurement process leading up to the final RFP selection and award. The term "Contractor" denotes the role assumed, post-award, by the winning Vendor. Additionally, the terms "State of Mississippi," "State" or "ITS" may be used interchangeably throughout this RFP to denote the political entity issuing the RFP and requesting responses from Vendors throughout these specifications. References to a specific agency, institution or other political entity represent the client or customer on whose behalf ITS is issuing the RFP.

2. **Vendor's Responsibility to Examine RFP**

Vendors must examine all documents, forms, specifications, standard provisions, and instructions.

3. **Proposal as Property of State**

All written proposal material becomes the property of the State of Mississippi.

4. **Written Amendment to RFP**

Any interpretation of an **ITS** RFP will be made by written amendment only. The State will not be responsible for any other explanation of this RFP. A copy of any amendment will be posted on the **ITS** website, together with the associated RFP specification. Vendors are required to check the **ITS** website periodically for RFP amendments before the proposal opening date at:

[http://www.its.ms.gov/Procurement/Pages/RFPS\\_Awaiting.aspx](http://www.its.ms.gov/Procurement/Pages/RFPS_Awaiting.aspx)

Any and all amendments will be posted no later than noon, seven days prior to the proposal opening date listed on the cover page of this RFP. If you are unable to access the **ITS** website, you may contact the **ITS** technology consultant listed on page one of this RFP and request a copy.

5. **Oral Communications Not Binding**

Only transactions which are in writing from **ITS** may be considered official. No negotiations, decisions, or actions shall be executed by any Vendor as a result of any discussions with any State employee.

6. **Vendor's Responsibility for Delivery**

Vendors must ensure, through reasonable and sufficient follow-up, proper compliance with, and fulfillment of all schedules and deliverables specified within the body of this RFP. The State will not be responsible for the failure of any delivery medium for submission of information to or from the Vendor, including but not limited to, public and private carriers, U.S. mail, Internet Service Providers, facsimile, or e-mail.

7. **Evaluation Criteria**

The State's intent in issuing this RFP is to award a contract to the lowest and best responsive Vendor who meets specifications, considering price and other factors. The Vendor's past performance, cooperation, and ability to provide service and training are general factors that will be weighed in the selection process. More specific information concerning evaluation criteria is presented in *Technical Specifications*.

8. **Multiple Awards**

**ITS** reserves the right to make multiple awards.

9. **Right to Award in Whole or Part**

**ITS** reserves the right to approve an award by individual items or in total, whichever is deemed to be in the best interest of the State of Mississippi.

10. **Right to Use Proposals in Future Projects**

The State reserves the right to evaluate the awarded proposal from this RFP, including all products and services proposed therein, along with the resulting contractual terms, for possible use in future projects if (a) it is deemed to be in the best interest of the State to do so; and (b) the Vendor is willing to extend a cost less than or equal to that specified in the awarded proposal and resulting contract. A decision concerning the utilization of a Vendor's proposal for future projects is solely at the discretion of the State and requires the agreement of the proposing Vendor. The State's decision to reuse an awarded proposal will be based upon such criteria as: (1) the customer's business requirements; (2) elapsed time since the award of the original project; and/or (3) research on changes in the Vendor, market, and technical environments since the initial award.

11. **Price Changes During Award or Renewal Period**

A price increase will not be accepted during the award period or the renewal period, unless stipulated in the contract. However, the State will always take advantage of price decreases.

12. **Right to Request Information**

The State reserves the right to request information relative to a Vendor's references and financial status and to visit a Vendor's facilities during normal working hours. The State also reserves the right to request a current financial statement, prepared and certified by an independent auditing firm, and reserves the right to require that Vendors document their financial ability to provide the products and services proposed up to the total dollar amount of the Vendor's cost proposal. The State reserves the right to request information about the Vendor from any previous customer of the Vendor of whom the State is aware, even if that customer is not included in the Vendor's list of references.

13. **Vendor Personnel**

For RFPs including professional services specifications, the Vendor will be required to provide and/or certify the following for each individual included in the Vendor's proposal:

- 13.1 A direct telephone number at which the individual may be contacted for a telephone interview. The State will pay toll charges in the continental United States. The Vendor must arrange a toll-free number for all other calls.

- 13.2 That, if onsite interviews are required, the individual can be at the specified location in Mississippi within the timeframe specified. All costs associated with onsite interviews will be the responsibility of the Vendor.
- 13.3 That the individual is proficient in spoken and written English;
- 13.4 That the individual is a U.S. citizen or that the individual meets and will maintain employment eligibility requirements in compliance with all INS regulations. The Vendor must provide evidence of identification and employment eligibility prior to the award of a contract that includes any personnel who are not U. S. citizens.
- 13.5 That the personnel assigned to a project will remain a part of the project throughout the duration of the contract as long as the personnel are employed by the Vendor, unless replaced by the Vendor at the request of the State. This requirement includes the responsibility for ensuring all non-citizens maintain current INS eligibility throughout the duration of the contract.

14. **Vendor Imposed Constraints**

The Vendor must specifically document what limitations, if any, exist in working with any other Contractor acting in the capacity of the State's business partner, subcontractor or agent who may be managing any present or future projects; performing quality assurance; integrating the Vendor's software; and/or providing web-hosting, hardware, networking or other processing services on the State's behalf. The project relationship may be based on roles as either equal peers; supervisory – subordinate; or subordinate – supervisory, as determined by the State. The State recognizes that the Vendor may have trade secrets, intellectual property and/or business relationships that may be subject to its corporate policies or agreements. The State must understand these issues in order to decide to what degree they may impact the State's ability to conduct business for this project. These considerations will be incorporated accordingly into the proposal evaluation and selection process. The understanding reached between the Vendor and the State with regard to this business relationship precludes the Vendor from imposing any subsequent limitations of this type in future project undertakings by the State.

15. **Best and Final Offer**

The State reserves the right to solicit Best and Final Offers (BAFOs) from Vendors, principally in situations in which proposal costs eclipse available funding or the State believes none of the competing proposals presents a Best Value (lowest and best proposal) opportunity. Because of the time and expense incurred by both the Vendor community and the State, BAFOs are not routinely conducted. Vendors should offer their best pricing with the initial solicitation. Situations warranting solicitation of a BAFO will be considered an exceptional practice for any procurement. Vendors that remain in a competitive range within an evaluation may be requested to tender Best and Final Offers, at the sole discretion of the State. All such Vendors will be provided an equal opportunity to respond with a Best and Final Offer under a procedure to be defined by the State that encompasses the specific, refined needs of a project, as part of the BAFO solicitation. The State may re-evaluate and amend the original project specifications should it be deemed necessary in order to improve the opportunity for attaining Best Value scenarios from among the remaining competing Vendors. All BAFO proceedings will be uniformly

conducted, in writing and subject to solicitation by the State and receipt from the Vendors under a precise schedule.

16. **Restriction on Advertising**

The Vendor must receive written approval from the State before advertising or referencing the award of the contract or the services being provided. The Vendor must agree not to refer to awards in commercial advertising in such a manner as to state or imply that the firm or its services are endorsed or preferred by the State of Mississippi.

17. **Rights Reserved to Use Existing Product Contracts**

The State reserves the right on turnkey projects to secure certain products from other existing **ITS** contracts if it is in its best interest to do so. If this option is exercised, then the awarded Vendor must be willing to integrate the acquisition and implementation of such products within the schedule and system under contract.

18. **Additional Information to be Included**

In addition to answering each specification within this RFP, the Vendor must include complete product/service information, including product pictorials and technical/descriptive literature relative to any product/service offered with the proposal. Information submitted must be sufficiently detailed to substantiate that the products/services offered meet or exceed specifications.

19. **Valid Contract Required to Begin Work**

The successful Vendor should not commence any billable work until a valid contract has been executed. Any work done by the successful Vendor prior to the execution of the contract is done at the Vendor's sole risk. The State is under no obligation to pay for work done prior to the execution of a contract.

## SECTION IV LEGAL AND CONTRACTUAL INFORMATION

The objective of the *Legal and Contractual Information* section is to provide Vendors with information required to complete a contract or agreement with **ITS** successfully.

1. **Acknowledgment Precludes Later Exception**

By signing the *Submission Cover Sheet*, the Vendor is contractually obligated to comply with all items in this RFP, including the *Standard Contract* in Exhibit A if included herein, except those specifically listed as exceptions on the *Proposal Exception Summary Form*. If no *Proposal Exception Summary Form* is included, the Vendor is indicating that he takes no exceptions. Vendors who respond to this RFP by signing the *Submission Cover Sheet* may not later take exception to any item in the RFP during contract negotiations. This acknowledgement also contractually obligates any and all subcontractors that may be proposed. No exceptions by subcontractors or separate terms and conditions will be entertained after the fact.

2. **Failure to Respond as Prescribed**

Failure to respond as described in Section II: *Proposal Submission Requirements* to any item in the sections and exhibits of this RFP, including the *Standard Contract* attached as Exhibit A, if applicable, shall contractually obligate the Vendor to comply with that item.

3. **Contract Documents**

**ITS** will be responsible for all document creation and editorial control over all contractual documentation related to each procurement project. The following documents will normally be included in all contracts between **ITS** and the Vendor:

3.1 The Proposal Exception Summary Form as accepted by **ITS**;

3.2 Contracts which have been signed by the Vendor and **ITS**;

3.3 **ITS'** Request for Proposal, including all addenda;

3.4 Official written correspondence from **ITS** to the Vendor;

3.5 Official written correspondence from the Vendor to **ITS** when clarifying the Vendor's proposal; and

3.6 The Vendor's proposal response to the **ITS** RFP.

4. **Order of Precedence**

When a conflict arises regarding contract intent due to conflicting statements in documents included in the contract, the order of precedence of each document is as listed above unless modification of order is negotiated and agreed upon by both **ITS** and the winning Vendor.

5. **Additional Contract Provisions**

The contract will also include such additional provisions, which are not inconsistent or incompatible with the material terms of this RFP, as may be agreed upon by the parties. All of the foregoing shall be in such form and substance as prescribed by the State.

6. **Contracting Agent by Law**

The Executive Director of **ITS** is, by law, the purchasing and contracting agent for the State of Mississippi in the negotiation and execution of all contracts for the acquisition of computer and telecommunications equipment, systems, software, and services (Section 25-53-1, et seq., of the Mississippi Code Annotated). **ITS** is issuing this RFP on behalf of the procuring agency or institution. **ITS** and the procuring agency or institution are sometimes collectively referred to within this RFP as "State."

7. **Mandatory Legal Provisions**

- 7.1 The State of Mississippi is self-insured; all requirements for the purchase of casualty or liability insurance are deleted.
- 7.2 Any provisions disclaiming implied warranties shall be null and void. See Mississippi Code Annotated Sections 11-7-18 and 75-2-719(4). The Vendor shall not disclaim the implied warranties of merchantability and fitness for a particular purpose.
- 7.3 The Vendor shall have no limitation on liability for claims related to the following items:
  - 7.3.1 Infringement issues;
  - 7.3.2 Bodily injury;
  - 7.3.3 Death;
  - 7.3.4 Physical damage to tangible personal and/or real property; and/or
  - 7.3.5 The intentional and willful misconduct or negligent acts of the Vendor and/or Vendor's employees or subcontractors.
- 7.4 All requirements that the State pay interest (other than in connection with lease-purchase contracts not exceeding five years) are deleted.
- 7.5 Any contract negotiated under this RFP will be governed by and construed according to the laws of the State of Mississippi. Venue for the resolution of any dispute shall be Jackson, Hinds County, Mississippi.
- 7.6 Any contract negotiated under this RFP is cancelable in the event the funding authority does not appropriate funds. Notice requirements to Vendor cannot exceed sixty (60) days.

- 7.7 The State of Mississippi does not waive its sovereign immunities or defenses as provided by law by entering into this contract with the Vendor, Vendor agents, subcontractors, or assignees.
- 7.8 The State will deliver payments to the Vendor within forty-five (45) days after receipt of invoice and receipt, inspection, and approval of Vendor's products/services. No late charges will exceed 1.5% per month on any unpaid balance from the expiration of said period until payment is delivered. See Section 31-7-305 of the Mississippi Code Annotated. Seller understands and agrees that Purchaser is exempt from the payment of taxes.
- 7.9 The State shall not pay any attorney's fees, prejudgment interest or the cost of legal action to or for the Vendor.

8. **Approved Contract**

- 8.1 Award of Contract - A contract is considered to be awarded to a proposer once the proposer's offering has been approved as lowest and best proposal through:
  - 8.1.1 Written notification made to proposers on **ITS** letterhead, or
  - 8.1.2 Notification posted to the **ITS** website for the project, or
  - 8.1.3 CP-1 authorization executed for the project, or
  - 8.1.4 The **ITS** Board's approval of same during an open session of the Board.
- 8.2 **ITS** statute specifies whether **ITS** Director approval or **ITS** Board approval is applicable for a given project, depending on the total lifecycle cost of the contract.
- 8.3 A contract is not deemed final until five (5) working days after either the award of contract or post procurement review, as stipulated in the **ITS** Protest Procedure and Policy. In the event of a valid protest, the State may, at its sole discretion, continue the procurement or stay the procurement in accordance with the **ITS** Protest Procedure and Policy. If the procurement is stayed, the contract is not deemed final until the protest is resolved.

9. **Contract Validity**

All contracts are valid only if signed by the Executive Director of **ITS**.

10. **Order of Contract Execution**

Vendors will be required to sign contracts and to initial all contract changes before the Executive Director of **ITS** signs.

11. **Availability of Funds**

All contracts are subject to availability of funds of the acquiring State entity and are contingent upon receipt by the winning Vendor of a purchase order from the acquiring State entity.

12. **CP-1 Requirement**

All purchase orders issued for goods and services acquired from the awarded Vendor under this RFP must be encoded by the Customer agency with a CP-1 approval number assigned by **ITS**. This requirement does not apply to acquisitions that by policy have been delegated to State entities.

13. **Requirement for Electronic Payment and Invoicing**

13.1 Payments to the awarded Vendor for all goods and services acquired under this RFP by state agencies that make payments through the Mississippi State Government's Enterprise Resource Planning (ERP) solution ("MAGIC") will be made electronically, via deposit to the bank account of the Vendor's choice. The awarded Vendor must enroll and be activated in PayMode™, the State's current vehicle for sending and receiving electronic payments, prior to receiving any payments from state agencies. There is no charge for a Vendor to enroll or receive payments via PayMode. For additional information on PayMode, including registration instructions, Vendors should visit the following website: <http://portal.paymode.com/ms/>. Vendors may also request assistance from the Mississippi Management and Reporting System (MMRS) Call Center regarding PayMode registration by contacting [mash@dfa.ms.gov](mailto:mash@dfa.ms.gov).

13.2 For state agencies that make payments through MAGIC, the awarded Vendor is required to submit electronically all invoices for goods and services acquired under this RFP, along with appropriate supporting documentation, as directed by the State.

13.3 Items 13.1 and 13.2 only apply to state agencies that make payments through MAGIC. Payments and invoices for all other entities will conform to their standard methods of payment to contractors.

14. **Time For Negotiations**

14.1 All contractual issues must be successfully negotiated within fifteen (15) working days from the Vendor's initial receipt of the project contract from **ITS**, unless **ITS** consents to extend the period. Failure to complete negotiations within the stated time period constitutes grounds for rejection of the Vendor's response to this RFP. **ITS** may withdraw the proposal award and begin negotiations with the next ranked Vendor immediately or pursue any other option.

14.2 Negotiations shall be limited to items to which the Vendor has noted as exceptions on their Proposal Exception Summary Form, as well as any new items that the State may require. All contract changes requested by the Vendor related to such exceptions noted in Vendor's proposal shall be submitted three



(3) working days prior to scheduled negotiations, unless **ITS** consents to a different period.

15. **Prime Contractor**

The selected Vendor will be designated the prime contractor in the proposal, and as such, shall be solely responsible for all products/services offered in the proposal and for the fulfillment of the contract with the State.

16. **Sole Point of Contact**

**ITS** will consider the selected Vendor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract.

16.1 The Vendor must acknowledge and agree that in matters of proposals, clarifications, negotiations, contracts and resolution of issues and/or disputes, the Vendor represents all contractors, third parties and/or subcontractors the Vendor has assembled for this project. The Vendor's commitments are binding on all such parties and consequently the State is only required to negotiate with the Vendor.

16.2 Furthermore, the Vendor acknowledges and agrees to pass all rights and/or services related to all general consulting, services leasing, software licensing, warranties, hardware maintenance and/or software support to the State from any contractor, third party or subcontractor without the State having to negotiate separately or individually with any such parties for these terms or conditions.

16.3 Should a proposing Vendor wish to assign payment of any or all charges resulting from this contract to a third party, Vendor must disclose that fact in his/her proposal, along with the third party's name, address, nature of business, and relationship to the proposing Vendor, the reason for and purpose of the assignment, and all conditions of the assignment, including but not limited to a copy of an assignment document to be executed by the State, the Vendor, and the third party. Such assignments will be accepted or rejected at the sole discretion of the State. Vendor must clearly and definitively state in his/her proposal whether the proposal is contingent upon the requested assignment of payments. Whenever any assignment of payment is requested, the proposal, contract, and assignment document must include language specifically guaranteeing that the proposing Vendor is solely and fully liable and responsible for the performance of its obligations under the subject contract. No assignment of payment will be considered at the time of purchase unless such assignment was fully disclosed in the Vendor's proposal and subsequently accepted by the State.

17. **ITS Approval of Subcontractor Required**  
Unless provided in the contract, the Vendor shall not contract with any other party for furnishing any of the contracted work or services without the consent, guidance, and written approval of the State. **ITS** reserves the right of refusal and the right to request replacement of a subcontractor due to unacceptable work or conduct. This provision should not be interpreted as requiring the approval of individual contracts of employment between the Vendor and personnel assigned for services under the contract.
18. **Inclusion of Subcontract Agreements**  
Copies of any agreements to be executed between the Vendor and any subcontractors must be included in the Vendor's proposal.
19. **Negotiations with Subcontractor**  
In order to protect the State's interest, **ITS** reserves the right to attempt to resolve the contractual disagreements that may arise between the Vendor and its subcontractor after award of the contract.
20. **References to Vendor to Include Subcontractor**  
All references in the RFP to "Vendor" shall be construed to encompass both the Vendor and its subcontractors.
21. **Outstanding Vendor Obligations**
  - 21.1 Any Vendor who presently owes the State of Mississippi money pursuant to any contract for which **ITS** is the contracting agent and who has received written notification from **ITS** regarding the monies owed, must submit, with the proposal, a certified check in the amount due and owing in order for the proposal in response to this RFP to be considered. For a Vendor currently in bankruptcy as of the RFP submission date, this requirement is met, if and only if, **ITS** has an active petition before the appropriate bankruptcy court for recovery of the full dollar amount presently owed to the State of Mississippi by that Vendor. If the Vendor has emerged from bankruptcy by the RFP submission date, the Vendor must pay in full any amount due and owing to the State, as directed in the court-approved reorganization plan, prior to any proposal being considered.
  - 21.2 Any Vendor who is presently in default on existing contracts for which **ITS** is the contracting agent, or who otherwise is delinquent in the performance of any such contracted obligations, is in the sole judgment of the State required to make arrangement for fulfilling outstanding obligations to the satisfaction of the State in order for the proposal to be considered.
  - 21.3 The State, at its sole discretion, may reject the proposal of a Vendor with any significant outstanding financial or other obligations to the State or who is in bankruptcy at the time of proposal submission.

22. **Equipment Condition**  
For all RFPs requiring equipment, the Vendor must furnish only new equipment in response to **ITS** specifications, unless an explicit requirement for used equipment is otherwise specified.
23. **Delivery Intervals**  
The Vendor's proposal must specify, in the *Cost Information Submission* and in response to any specific instructions in the *Technical Specifications*, delivery and installation intervals after receipt of order.
24. **Pricing Guarantee**  
The Vendor must explicitly state, in the *Cost Information Submission* and in response to any specific instructions in the *Technical Specifications*, how long the proposal will remain valid. Unless stated to the contrary in the *Technical Specifications*, pricing must be guaranteed for a minimum of ninety (90) days.
25. **Shipping Charges**  
For all RFPs requiring shipment of any product or component, all products must be delivered FOB destination to any location within the geographic boundaries of the State with all transportation charges prepaid and included in the RFP proposal or LOC quotation. Destination is the point of use.
26. **Amortization Schedule**  
For all RFPs requiring equipment, contracts involving the payment of interest must include an amortization schedule clearly documenting the amount of interest payable over the term of the contract.
27. **Americans with Disabilities Act Compliance for Web Development and Portal Related Services**  
All Web and Portal development work must be designed and implemented in compliance with the Electronic and Information Technology Accessibility Standards associated with Section 508 of the Rehabilitation Act and with the Web Accessibility Initiative (WAI) of the W3C.
28. **Ownership of Developed Software**
  - 28.1 When specifications require the Vendor to develop software for the State, the Vendor must acknowledge and agree that the State is the sole owner of such developed software with exclusive rights to use, alter, or distribute the software without restriction. This requirement applies to source code, object code, and documentation.
  - 28.2 The State may be willing to grant the Vendor a nonexclusive license to use the State's software subject to devising acceptable terms and license fees. This requirement is a matter of State Law, and not negotiable.
29. **Ownership of Custom Tailored Software**  
In installations where the Vendor's intellectual property is modified and custom-tailored to meet the needs of the State, the Vendor must offer the State an application license

entitling the State to use, and/or alter the software without restriction. These requirements apply to source code, object code and documentation.

30. **Terms of Software License**

The Vendor acknowledges and agrees that the term of all software licenses provided to the State shall be perpetual unless stated otherwise in the Vendor's proposal.

31. **The State is Licensee of Record**

The Vendor must not bypass the software contracting phase of a project by licensing project software intended for State use in its company name. Upon award of a project, the Vendor must ensure that the State is properly licensed for all software that is proposed for use in a project.

32. **Compliance with Enterprise Security Policy**

Any solution proposed in response to this RFP must be in compliance with the State of Mississippi's Enterprise Security Policy. The Enterprise Security Policy is based on industry-standard best practices, policy, and guidelines and covers the following topics: web servers, email, virus prevention, firewalls, data encryption, remote access, passwords, servers, physical access, traffic restrictions, wireless, laptop and mobile devices, disposal of hardware/media, and application assessment/certification. Given that information security is an evolving technology practice, the State reserves the right to introduce new policy during the term of the contract resulting from this RFP and require the Vendor to comply with same in the event the industry introduces more secure, robust solutions or practices that facilitate a more secure posture for the State of Mississippi.

The Enterprise Security Policy is available to third parties on a need-to-know basis and requires the execution of a non-disclosure agreement prior to accessing the policy. The Vendor may request individual sections of the Enterprise Security Policy or request the entire document. The instructions for acquiring the State of Mississippi Enterprise Security Policy can be found at the link below.

<http://www.its.ms.gov/Services/Pages/ENTERPRISE-SECURITY-POLICY.aspx>

33. **Negotiating with Next-Ranked Vendor**

Should the State cease doing business with any Vendor selected via this RFP process, for any reason, the State reserves the right to initiate negotiations with the next ranked Vendor.

34. **Disclosure of Proposal Information**

Vendors should be aware that any information in a proposal may be subject to disclosure or reproduction under the Mississippi Public Records Act of 1983, defined in Section 25-61-1 et seq. of the Mississippi Code Annotated. All disclosures of proposal information will be made in compliance with the **ITS** Public Records Procedures established in accordance with the Mississippi Public Records Act. The **ITS** Public Records Procedures are available in Section 019-010 of the **ITS** Procurement Handbook, on the **ITS** Internet site at:

<http://www.its.ms.gov/Procurement/Documents/ISS%20Procurement%20Manual.pdf#page=154> or from **ITS** upon request.

As outlined in the Third Party Information section of the **ITS** Public Records Procedures, **ITS** will give written notice to any affected Vendor of a request to view or reproduce the Vendor's proposal or portion thereof. **ITS** will not, however, give such notice with respect to summary information prepared in connection with the State's review or evaluation of a Vendor's proposal, including, but not limited to, written presentations to the **ITS** Board or other approving bodies, and/or similar written documentation prepared for the project file. In addition, **ITS** will not provide third-party notice for requests for any contract executed as a result of this RFP.

Summary information and contract terms, as defined above, become the property of **ITS**, who has the right to reproduce or distribute this information without notification.

Vendors should further be aware that requests for disclosure of proposal information are sometimes received by **ITS** significantly after the proposal opening date. **ITS** will notify the signatory "Officer in Bind of Company" provided in Section I of this RFP for Notification of Public Records Requests in the event information is requested that your company might wish to consider protecting as a trade secret or as confidential commercial or financial information. If the "Officer in Bind of Company" should not be used for notification of public records requests, Vendor should provide the alternative contact information in response to this RFP item.

**35. Risk Factors to be Assessed**

The State will assess risk factors that may initially exist within a given procurement and that may develop over the course of a procurement process as facts become known. The State, at its sole discretion, may employ the following mechanisms in mitigating these risks: proposal bonding, performance bonding, progress payment plan with retainage, inclusion of liquidated damages, and withholding payment for all portions of the products/services acquired until final acceptance. The Vendor must agree to incorporate any or all of the above terms and conditions into the customer agreement.

**36. Proposal Bond**

The Vendor is not required to include a proposal bond in the amount of N/A with its RFP proposal.

**37. Performance Bond/Irrevocable Bank Letter of Credit**

The Vendor is not required to include the price of a performance bond or irrevocable bank letter of credit with its RFP proposal.

**38. Responsibility for Behavior of Vendor Employees/Subcontractors**

The Vendor will be responsible for the behavior of all its employees and subcontractors while on the premises of any State agency or institution. Any Vendor employee or subcontractor acting in a manner determined by the administration of any State agency or institution to be detrimental, abusive, or offensive to any of the staff or student body of any State agency or institution will be asked to leave the premises and can be suspended from further work on the premises.

**39. Protests**

The Executive Director of **ITS** and/or the Board Members of **ITS** or their designees shall have the authority to resolve Vendor protests in connection with the selection for award

of a contract. Copies of the protest procedures are available on the **ITS** Internet site - **ITS** Protest Procedure and Policy, Section 019-020, **ITS** Procurement Handbook at:

<http://www.its.ms.gov/Procurement/Documents/ISS%20Procurement%20Manual.pdf#page=172> or from **ITS** upon request.

40. **Protest Bond**

Potential Vendors may protest any of the specifications of this RFP on the belief that the specification is unlawful, unduly restrictive, or unjustifiably restraining to competition. Any such protest must be in writing and submitted to the **ITS** Executive Director along with the appropriate protest bond within five (5) working days of the Official Release of the RFP, as defined in the **ITS** Protest Procedure and Policy. The outside of the envelope must be marked "Protest" and must specify RFP number **3837**.

As a condition precedent to filing any protest related to this procurement, the Vendor must procure, submit to the **ITS** Executive Director with its written protest, and maintain in effect at all times during the course of the protest or appeal thereof, a protest bond in the full amount of the total estimated project lifecycle cost or **\$250,000.00**, whichever is less. The total estimated project lifecycle cost will be the amount used by **ITS** in the computation of cost points, as the low cost in the denominator of the cost evaluation formula. The bond shall be accompanied by a duly authenticated or certified document evidencing that the person executing the bond is a licensed Mississippi agent for the bonding company. This certified document shall identify the name and address of the person or entity holding the protest bond and shall identify a contact person to be notified in the event that the State is required to take action against the bond. The protest bond shall not be released to the protesting Vendor until the protest is finally resolved and the time for appealing said protest has expired. The protest bond shall be procured at the protesting Vendor's expense and be payable to the Mississippi Department of Information Technology Services. Prior to approval of the protest bond, **ITS** reserves the right to review the protest bond and require the protesting Vendor to substitute an acceptable bond in such form as the State may reasonably require. The premiums on such bond shall be paid by the protesting Vendor. The State may claim against the protest bond as specified in Section 25-53-5 (n) of the Mississippi Code of 1972, as amended during the 1998 Mississippi legislative session, in addition to all other rights and remedies the State may have at law or in equity.

Should the written protest submitted by the Vendor fail to comply with the content requirements of **ITS'** protest procedure and policy, fail to be submitted within the prescribed time limits, or fail to have the appropriate protest bond accompany it, the protest will be summarily dismissed by the **ITS** Executive Director.

41. **Mississippi Employment Protection Act**

Effective July 1, 2008, Vendor acknowledges that if awarded, it will ensure its compliance with the Mississippi Employment Protection Act, Section 71-11-1, et seq. of the Mississippi Code Annotated (Supp2008), and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also

known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Vendor will agree to maintain records of such compliance and, upon request of the State, to provide a copy of each such verification to the State.

Vendor acknowledges and certifies that any person assigned to perform services hereunder meets the employment eligibility requirements of all immigration laws of the State of Mississippi.

Vendor acknowledges that violating the E-Verify Program (or successor thereto) requirements subjects Vendor to the following: (a) cancellation of any state or public contract and ineligibility for any state or public contract for up to three (3) years, with notice of such cancellation being made public, or (b) the loss of any license, permit, certification or other document granted to Vendor by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year, or (c) both. Vendor would also be liable for any additional costs incurred by the State due to contract cancellation or loss of license or permit.

## SECTION V PROPOSAL EXCEPTIONS

Please return the *Proposal Exception Summary Form* at the end of this section with all exceptions to items in any Section of this RFP listed and clearly explained or state "No Exceptions Taken." If no *Proposal Exception Summary Form* is included, the Vendor is indicating that he takes no exceptions to any item in this RFP document.

1. Unless specifically disallowed on any specification herein, the Vendor may take exception to any point within this RFP, including a specification denoted with "shall" or "must," as long as the following are true:
  - 1.1 The specification is not a matter of State law;
  - 1.2 The proposal still meets the intent of the RFP;
  - 1.3 A *Proposal Exception Summary Form* is included with Vendor's proposal; and
  - 1.4 The exception is clearly explained, along with any alternative or substitution the Vendor proposes to address the intent of the specification, on the *Proposal Exception Summary Form*.
2. The Vendor has no liability to provide items to which an exception has been taken. **ITS** has no obligation to accept any exception. During the proposal evaluation and/or contract negotiation process, the Vendor and **ITS** will discuss each exception and take one of the following actions:
  - 2.1 The Vendor will withdraw the exception and meet the specification in the manner prescribed;
  - 2.2 **ITS** will determine that the exception neither poses significant risk to the project nor undermines the intent of the RFP and will accept the exception;
  - 2.3 **ITS** and the Vendor will agree on compromise language dealing with the exception and will insert same into the contract; or
  - 2.4 None of the above actions is possible, and **ITS** either disqualifies the Vendor's proposal or withdraws the award and proceeds to the next ranked Vendor.
3. Should **ITS** and the Vendor reach a successful agreement, **ITS** will sign adjacent to each exception which is being accepted or submit a formal written response to the *Proposal Exception Summary* responding to each of the Vendor's exceptions. The *Proposal Exception Summary*, with those exceptions approved by **ITS**, will become a part of any contract on acquisitions made under this RFP.
4. An exception will be accepted or rejected at the sole discretion of the State.
5. The State desires to award this RFP to a Vendor or Vendors with whom there is a high probability of establishing a mutually agreeable contract, substantially within the standard terms and conditions of the State's RFP, including the *Standard Contract* in Exhibit A, if



included herein. As such, Vendors whose proposals, in the sole opinion of the State, reflect a substantial number of material exceptions to this RFP, may place themselves at a comparative disadvantage in the evaluation process or risk disqualification of their proposals.

6. For Vendors who have successfully negotiated a contract with **ITS** in the past, **ITS** requests that, prior to taking any exceptions to this RFP, the individual(s) preparing this proposal first confer with other individuals who have previously submitted proposals to **ITS** or participated in contract negotiations with **ITS** on behalf of their company, to ensure the Vendor is consistent in the items to which it takes exception.

**PROPOSAL EXCEPTION SUMMARY FORM**

List and clearly explain any exceptions, for all RFP Sections and Exhibits, in the table below.

ITS RFP Reference	Vendor Proposal Reference	Brief Explanation of Exception	ITS Acceptance (sign here only if accepted)
(Reference specific outline point to which exception is taken)	(Page, section, items in Vendor's proposal where exception is explained)	(Short description of exception being made)	
1.			
2.			
3.			
4.			
5.			
6.			
7.			

## SECTION VI RFP QUESTIONNAIRE

Please answer each question or provide the information as requested in this section.

1. **Mississippi's Accountability System for Government Information and Collaboration (MAGIC) Information for State of Mississippi Vendor File**

- 1.1 **MAGIC Vendor Code:** Any Vendor who has not previously done business with the State and has not been assigned a MAGIC Vendor code should visit the following link to register:

[https://sus.magic.ms.gov/sap/bc/webdynpro/sapsrm/wda\\_e\\_suco\\_sreg?sap-client=100](https://sus.magic.ms.gov/sap/bc/webdynpro/sapsrm/wda_e_suco_sreg?sap-client=100)

Vendors who have previously done business with the State may obtain their MAGIC Vendor code at the following link:

<http://www.mmrs.state.ms.us/vendors/index.shtml>

All Vendors must furnish **ITS** with their MAGIC Vendor code.

MAGIC Vendor Code: \_\_\_\_\_

Additional Vendor information, including contact information for assistance with MAGIC Vendor codes, can be found at the following link:

<http://www.mmrs.state.ms.us/vendors/index.shtml>

- 1.2 **Vendor Self-Certification Form:** The State of Mississippi, in an effort to capture participation by minority Vendors, asks that each Vendor review the State of Mississippi Minority Vendor Self Certification Form. This information is for tracking/reporting purposes only, and will not be used in determining which Vendor will be chosen for the project. Any Vendor who can claim status as a Minority Business Enterprise or a Woman Business Enterprise in accordance with the definitions on this form and who has not previously submitted a form to the State of Mississippi should submit the completed form with the proposal. A copy of the Minority Vendor Self-Certification Form can be obtained at:

[http://www.mississippi.org/assets/docs/minority/minority\\_vendor\\_selfcertform.pdf](http://www.mississippi.org/assets/docs/minority/minority_vendor_selfcertform.pdf)

Please direct any questions about minority certification in Mississippi to the Minority Business Enterprise Division of the Mississippi Development Authority by telephone at (601) 359-3448 or via email at [minority@mississippi.org](mailto:minority@mississippi.org).

Minority Vendor Self-Certification Form Included: \_\_\_\_\_  
Minority Vendor Self-Certification Form Previously Submitted: \_\_\_\_\_  
Not claiming Minority/Women Business Enterprise Status: \_\_\_\_\_

2. **Certification of Authority to Sell**

The Vendor must certify Vendor is a seller in good standing, authorized to sell and able to deliver all items and related services proposed in the State of Mississippi in the time frame specified. Does the Vendor make these certifications? (A yes or no answer is required.)

3. **Certification of No Conflict of Interest**

Mississippi law clearly forbids a direct or indirect conflict of interest of a company or its employees in selling to the State. The Vendor must answer and/or provide the following:

3.1 Does there exist any possible conflict of interest in the sale of items to any institution within **ITS** jurisdiction or to any governing authority? (A yes or no answer is required.)

3.2 If the possibility of a conflict does exist, provide a list of those institutions and the nature of the conflict on a separate page and include it in your proposal. The Vendor may be precluded from selling to those institutions where a conflict of interest may exist.

4. **Pending Legal Actions**

4.1 Are there any lawsuits or other legal proceedings against the Vendor that pertain to any of the software, hardware, or other materials and/or services which are a part of the Vendor's proposal? (A yes or no answer is required.)

4.2 If so, provide a copy of same and state with specificity the current status of the proceedings.

5. **Non-Disclosure of Social Security Numbers**

Does the Vendor acknowledge that any information system proposed, developed, or modified under this RFP that disseminates, in any form or manner, information or material that contains the Social Security Number of an individual, has mechanisms in place to prevent the inadvertent disclosure of the individual's Social Security Number to members of the general public or to persons other than those persons who, in the performance of their duties and responsibilities, have a lawful and legitimate need to know the individual's Social Security Number? This acknowledgement is required by Section 25-1-111 of the Mississippi Code Annotated.

6. **Order and Remit Address**

The Vendor must specify both an order and a remit address:

Order Address:

Remit Address (if different):

7. **Web Amendments**

As stated in Section III, **ITS** will use the **ITS** website to post amendments regarding RFPs before the proposal opening at:

[http://www.its.ms.gov/Procurement/Pages/RFPS\\_Awaiting.aspx](http://www.its.ms.gov/Procurement/Pages/RFPS_Awaiting.aspx)

**ITS** may post clarifications until noon seven days prior to the proposal opening date listed on the cover page of this RFP or the posted extension date, if applicable.

Vendors may list any questions or items needing clarification discovered in the week prior to the proposal opening in a written format at the beginning of the proposal binder or in the comment section for the individual offering.

Does the Vendor certify that they have reviewed a copy of the **ITS** amendments for RFPs as above stated? (A yes or no answer is required.)

## **SECTION VII TECHNICAL SPECIFICATIONS**

### **1. How to Respond to this Section**

- 1.1 Beginning with Item 4.3 of this section, label and respond to each outline point in this section as it is labeled in the RFP.
- 1.2 The Vendor must respond with “ACKNOWLEDGED,” “WILL COMPLY” or “AGREED” to each point in this section. In addition, many items in this RFP require detailed and specific responses to provide the requested information. Failure to provide the information requested will result in the Vendor receiving a lower score for that item, or, at the State’s sole discretion, being subject to disqualification.
- 1.3 “ACKNOWLEDGED” should be used when no vendor response or vendor compliance is required. “ACKNOWLEDGED” simply means the vendor is confirming to the State that he read the statement. This is commonly used in the RFP sections where the agency’s current operating environment is described or where general information is being given about the project.
- 1.4 “WILL COMPLY” or “AGREED” are used interchangeably to indicate that the vendor will adhere to the requirement. These terms are used to respond to statements that specify that a vendor or vendor’s proposed solution must comply with a specific item or must perform a certain task.
- 1.5 If the Vendor cannot respond with “ACKNOWLEDGED,” “WILL COMPLY,” or “AGREED,” then the Vendor must respond with “EXCEPTION.” (See Section V, for additional instructions regarding Vendor exceptions.)
- 1.6 Where an outline point asks a question or requests information, the Vendor must respond with the specific answer or information requested.
- 1.7 In addition to the above, Vendor must provide explicit details as to the manner and degree to which the proposal meets or exceeds each specification.

### **2. General Overview and Background**

The Mississippi Department of Human Services (MDHS) – Division of Community Services (DCS) is seeking to automate the energy audit and program management duties performed in the administration of the Department of Energy’s (DOE) Weatherization Assistance Program (WAP). On average, MDHS receives 1,000 applications annually for weatherization services across 82 counties. Approximately 350 homes received services in the last fiscal year. Currently, MDHS has 6 grantees approved to provide these services across the state.

### **3. Procurement Project Schedule**

<b>Task</b>	<b>Date</b>
First Advertisement Date for RFP	03/22/16
Second Advertisement Date for RFP	03/29/16
Deadline for Vendor's Written Questions	3:00 p.m. Central Time on 04/8/16
Deadline for Questions Answered and Posted to ITS Web Site	4/22/16
Open Proposals	05/4/16
Evaluation of Proposals	05/4/16 - 05/25/16
Contract Negotiation	05/25/16 - 06/15/16
Proposed Project Implementation Start-up	07/1/16

4. **Statement of Understanding**

- 4.1 Vendors may request additional information or clarifications to this RFP using the following procedure:
  - 4.1.1 Vendors must clearly identify the specified paragraph(s) in the RFP that is in question.
  - 4.1.2 Vendor must deliver a written document to Donna Hamilton at **ITS** by Friday, April 8, 2016 at 3:00 p.m. Central Time. This document may be delivered by hand, mail, email, or fax. Address information is given on page one of this RFP. The fax number is (601) 713-6380. **ITS WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF QUESTION DOCUMENTS.** It is solely the responsibility of the vendor that the clarification document reaches **ITS** on time. Vendors may contact Donna Hamilton to verify the receipt of their document. Documents received after the deadline will be rejected.
- 4.2 All questions will be compiled and answered, and a written document containing all questions submitted and corresponding answers will be posted on the **ITS** web site by close of business on Friday, April 22, 2016.
- 4.3 Vendor must be registered in good standing in SAM.gov and provide their DUNS Number at the time of proposal submission in order to contract with MDHS.
- 4.4 The Vendor must understand and provide information in his response to support a deliverable-based project. The Project Work Plan should define and denote milestones and deliverables, both paid and unpaid, for the entirety of the project. The Cost Information Summary should define and denote deliverables for which, upon acceptance, Vendor expects to be paid.
- 4.5 The Vendor must provide all software components and implementation services (data conversion, installation, training, support and other services) with sufficient knowledge transfer to MDHS personnel as necessary for turnkey

implementation of the proposed solution. Describe Vendor's process for knowledge transfer.

- 4.6 MDHS requires a Commercial-Off-the-Shelf (COTS) approach to this procurement, placing strong emphasis on acquiring a field-proven, mature product with a good client base from an experienced Vendor. Although the Vendor should be prepared to customize the proposed system to meet the requirements detailed in this RFP, MDHS is not anticipating a major customization effort.
- 4.7 While a mature, field-proven product is being sought, MDHS also requires a system that is not at the end of its product life cycle and that also reflects the best practices of the industry. Additionally, the technology platform (database engine, operating platform, etc.) for the proposed product must not be at the end of its life cycle.
- 4.8 MDHS desires that the Weatherization Assistance Management System be hosted by the Vendor. Vendors must be able to provide references demonstrating experience providing the proposed solution in a hosted environment. Vendors are welcome to propose a solution that may be hosted locally by the State. This in-house alternative is much less desirable than one hosted by the Vendor, because MDHS is not technically staffed to support such an operation. As such, in-house alternatives will be given consideration only in the instance that MDHS finds no viable Vendor-hosted solution through the RFP process. The State reserves the right to select a non-hosted solution.
  - 4.8.1 Vendor must indicate whether the proposed solution will be hosted based on the Application Service Provider (ASP) or Software-as-a-Service (SaaS) model.
  - 4.8.2 Vendor must indicate all costs associated with the appropriate model in Section VIII, Cost Information Submission, including licensing costs if applicable.

**5. Vendor Requirements**

- 5.1 The Vendor must provide a corporate description with sufficient information to substantiate proven expertise in the products and services being requested in this RFP.
- 5.2 The Vendor must disclose any company restructurings, mergers, and acquisitions over the past five (5) years.
- 5.3 The Vendor must specify the location of the organization's principal office and the number of executive and professional personnel employed at this office.
- 5.4 The Vendor must state the number of years the Vendor has been providing the products and services being proposed.



- 5.5 The Vendor must specify the organization's size in terms of the number of full-time employees, the number of contract personnel used at any one time, the number of offices and their locations, and structure (for example, state, national, or international organization).
- 5.6 The Vendor must provide the name and the state of incorporation, if incorporated.
- 5.7 The Vendor must provide at least three (3) reference projects as described in Section IX. Vendor must briefly summarize the reference projects here and provide full detail in Section IX.
  - 5.7.1 Vendor must have similar Weatherization Assistance Program Management Software currently running in production mode in at least one other state. Production means the feature or service is being used by the agency to run their business operations to manage the Weatherization Assistance Program. Vendor must provide reference information in Section IX identifying which references are being used to satisfy this requirement.
- 5.8 The Vendor must provide a copy of their company's most recent annual report, including consolidated balance sheets and related statements of income, stockholders' or partners' equity and changes in financial position, for each of the five (5) fiscal years preceding the end of the most recent fiscal year. The financial information listed above should be compiled, reviewed, and/or audited by a Certified Public Accountant.
- 5.9 Vendor must describe their standard project management methodology, the proposed project management approach for this project, and any tailoring of their standard methodology anticipated for this project.
- 5.10 The Vendor must describe his change order and staffing strategy under the following circumstances.
  - 5.10.1 The Vendor must describe his change order and staffing strategy when a customer requires additional functionality that may be within the capability of the proposed system's existing programming, after the initial system acceptance.
  - 5.10.2 The Vendor must describe his change order and staffing strategy when a customer requires additional functionality that may require modification of the proposed system's programmed code and/or the addition of new programming, after initial system acceptance.

## 6. Technical Requirements

- 6.1 The proposed solution must be an approved DOE audit tool and meet the requirements outlined in Exhibit B, *WPN 13-5*, for energy audit software.

- 6.2 MDHS has provided the current *Priority List for Single-Family Homes* which has been approved by DOE for use through 2016 in Exhibit C.
  - 6.2.1 The proposed solution must be configured to meet MDHS's approved current Priority List for Single-Family Homes.
  - 6.2.2 In addition, the Vendor must provide updates and/or configuration assistance as needed to keep the proposed system in compliance with MDHS's approved current Priority List for Single-Family Homes.
- 6.3 MDHS has provided a copy of the *MS Weatherization Program Pre Home Energy Inspection Form* in Exhibit D for reference.
- 6.4 The MDHS Weatherization Assistance Management System will be used by MDHS in support of its various energy conservation activities.
  - 6.4.1 The proposed solution must be web-based.
  - 6.4.2 The proposed solution must provide the ability to be utilized in rural settings. Access to internet services is often limited.
  - 6.4.3 Staff must be able to enter data remotely and then upload the data into the Weatherization Assistance Management System.
  - 6.4.4 The Vendor must describe all options (i.e., laptop, smartphone) available for entering data remotely.
- 6.5 The proposed solution must provide the ability to store and backup MDHS weatherization data. The solution must also provide the ability to access the data and download as necessary.
- 6.6 The proposed solution must provide the ability to interface with Virtual ROMA (Results Oriented Management Accountability)/CAM-IS (Community Action Management Information System). Virtual ROMA is a statewide system that provides application intake, case management, and reporting services.
  - 6.6.1 MDHS is currently in the process of replacing Virtual ROMA with CAM-IS. The awarded Vendor must be willing to work with MDHS as necessary to update the interface.
  - 6.6.2 MDHS uses Virtual ROMA/CAM-IS to determine client eligibility. Eligible client data will then be sent to the Weatherization Assistance Management System.
- 6.7 The proposed solution must provide the ability to perform energy audit functionality for site-built homes. Energy audit functionality includes, but is not limited to, the following activities:
  - 6.7.1 On-site data collection

- 6.7.2 Visual assessment and analysis
- 6.7.3 Diagnostic testing
- 6.7.4 Assessment and analysis
- 6.7.5 Recommendations for energy saving measures
- 6.7.6 Recommendations for incidental repairs and health and safety improvements
- 6.8 The Vendor must fully describe if any features in addition to those listed above are available with the proposed solution.
- 6.9 If any component(s) necessary for operation of the requested system is omitted from Vendor's proposal, Vendor must be willing to provide the component(s) at no additional cost.

**7. Hosting Requirements**

- 7.1 The Vendor must propose hosting and consulting services for MDHS's Weatherization Assistance Program under a hosted arrangement at the Vendor's site. Vendor must fully describe the manner and degree by which their proposal meets the following minimum requirements.
- 7.2 The Vendor must provide a services package consisting of application hosting, network telecommunications, applications and system software, pre-installation analysis and design, applications profiling, database migration, staff training, ongoing technical support and implementation of associated methods and procedures for the adaptation of the proposed system by MDHS.
- 7.3 The Vendor must describe in detail how the application hosting services are being proposed. This detail must include specifications and manufacturers of the System hardware, software, and network configuration being proposed. Software must include release and version numbers.
- 7.4 The host and network links must be configured with sufficient speed and capacity to drive the System loaded with prime-shift (8:00 a.m. to 5:00 p.m. Central Time, Monday through Friday) staff end-users. Vendor must discuss what assumptions were taken into account in devising the proposed host and network configurations.
- 7.5 The Vendor must specify the minimum and recommended PC workstation, operating software and browser specifications necessary for the Agency end-users to access the System. Agency workstations should not require special client software.
- 7.6 Vendor must address to what degree the System is able to accommodate PC workstations using Windows XP, Vista and Windows 7 operating systems.

- 7.7 Vendor must identify the maximum number of concurrent users and describe the maximum system load that the standard host system will support.
- 7.8 Vendor must afford the Agency with adequate facilities that will support their present staffing level with expandability to accommodate a 50% growth over the life of the hosting agreement. Vendor must include pricing for additional users/licenses as growth is realized.
- 7.9 Vendor must complete daily backups of the system and indicate how often these backups are tested each year.
- 7.10 Vendor must propose and adhere to a mutually agreed upon disaster recovery plan, as part of this project. Vendor must provide a copy of their existing disaster recovery plan for review by the State.
- 7.11 The Vendor must specify what degree of custom programming is being proposed in order for the hosted system to meet the requirements of this RFP.
- 7.12 Vendor must maintain the confidentiality of all Weatherization Assistance Program information. Vendor may only access or use this information in the course of providing services to the Agency.
- 7.13 Vendor must provide the System under a service level agreement with a guaranteed uptime of at least 99%, 24 hours a day by 7 days a week, subject to credits or refunds for uptime of less than the guaranteed availability. In the event that the Agency is unable to achieve the 99% application availability for a given month, Vendor shall reimburse Agency 25% of the monthly fee.
  - 7.13.1 Vendor must describe the process for notifying the State of scheduled maintenance tasks.
  - 7.13.2 Vendor must specify frequency of system maintenance and any other scheduled down time.
- 7.14 Security
  - 7.14.1 The Vendor must describe and explain what mechanisms are provided to the State to monitor access to the cloud environment.
  - 7.14.2 "Government cloud" or "dedicated cloud" is the minimum level of security required to store State assets in a cloud environment. The Vendor must describe the cloud security level of the proposed solution.
  - 7.14.3 The Vendor must provide a private circuit or a virtual private connection to cloud-hosted servers and equipment. The Vendor must describe the approach for the proposed solution.
  - 7.14.4 Personal information obtained by the Vendor will become and remain the property of the State. At no time will any information,

belonging to or intended for the State, be copied, disclosed, or retained by the Vendor or any party related the Vendor for subsequent use in any transaction that does not include the State. The Vendor may not use any personal information collected in connection with the service issued from this proposal for any purpose other than fulfilling the service.

- 7.14.5 If requested by the State, the Vendor must destroy all requested data in all of its forms, including but not limited to disk, CD, DVD, tape, and paper. Data shall be destroyed according to the National Institute of Standards and Technology (NIST) approved methods and certificates of destruction must be provided to the State.
- 7.14.6 In the event of termination of the contract, the Vendor shall implement an orderly return of State of Mississippi assets and the subsequent secure disposal of State of Mississippi assets.
  - 7.14.6.1 During any period of suspension, the Vendor will not take any action to intentionally erase any State of Mississippi Data.
  - 7.14.6.2 In the event of termination of any services or agreement in entirety, the Vendor will not take any action to intentionally erase any State of Mississippi Data for a period of 90 days after the effective date of the termination. After such 90 day period, the Vendor shall have no obligation to maintain or provide any State of Mississippi Data and shall thereafter, unless legally prohibited, delete all State of Mississippi Data in its systems or otherwise in its possession or under its control.
  - 7.14.6.3 The State of Mississippi shall be entitled to any post-termination assistance generally made available with respect to the Services unless a unique data retrieval arrangement has been established as part of the Service Level Agreement.
- 7.14.7 The Vendor shall not store or transfer State of Mississippi data outside the United States.
- 7.14.8 The Vendor shall meet MDHS's existing data retention requirements for the records being stored.
- 7.14.9 The Vendor must inform the State of any security breach or detection of any suspicious intrusion that is or has occurred that jeopardizes the State of Mississippi data or processes. This notice must be given to the State within 24 hours of its discovery. Full disclosure of the assets that might have been

jeopardized must be made. In addition, the Vendor must inform the State of the actions it is taking or will take to reduce the risk of further loss to the State. If the breach requires public notification, all communication shall be coordinated with the State.

- 7.14.10 Vendor must encrypt all data in transit to the cloud.
  - 7.14.10.1 The Vendor must describe the method of transport for logs between the log collector and the cloud service. If it is VPN, is the data encrypted all the way from the log collector to the log receiving system (not just the service provider VPN termination point). The Vendor must describe the protocol used to send the logs across the VPN tunnel and describe whether it is possible to utilize an encrypted protocol across the tunnel.
- 7.14.11 The Vendor must provide to the State a description of their roles and responsibilities related to electronic discovery, litigation holds, discovery searches, and expert testimonies. The Vendor must disclose its process for responding to subpoenas, service of process, and other legal requests.
- 7.14.12 The Vendor will make the State's data and processes available to third parties only with the express written permission of the State.
- 7.14.13 The Vendor must:
  - Ensure that State of Mississippi information is protected with reasonable security measures;
  - Promote and maintain, among Vendor's employees and agents, an awareness of the security needs of the State's information;
  - Safeguard the confidentiality, integrity, and availability of State information; and
  - Ensure that appropriate security measures are put in place to protect the Vendor's internal systems from intrusions and other attacks.
- 7.14.14 The Vendor must not utilize any staff (including sub-contractors) to fulfill the obligations of the contract who has been convicted of a felony or class A misdemeanor.
- 7.14.15 The Vendor must not access State User accounts, or State of Mississippi Data, except (i) in the course of data center operations,

- (ii) response to service or technical issues or (iii) at the State's written request.
- 7.14.16 The Vendor must allow the State of Mississippi access to system logs, latency statistics, etc. that affect its data and or processes.
- 7.14.17 The Vendor must have annual third party security assessments of the service offering managed and directed by the Vendor. Annually, the Vendor shall provide confirmation to the State that the third party security assessment was performed, including confirmation that vulnerabilities resulting from a third party assessment have been mitigated. The Vendor must include the cost if any in Section VIII, *Cost Information Submission*.
- 7.14.18 Advance notice (to be determined at contract time) must be given to the State of any major upgrades or system changes that the Vendor will be performing.
- 7.14.19 The Vendor must disclose its security processes and technical limitations to the State of Mississippi such that adequate protection and flexibility can be attained between the State of Mississippi's and the Vendor (e.g., virus checking, port sniffing). The State of Mississippi and the Vendor must understand each other's roles and responsibilities.
- 7.14.20 The Vendor will cover the costs of response and recovery from a data breach. The State will expect to recover all breach costs from the Vendor.
- 7.14.21 The Vendor must encrypt all State of Mississippi data while at rest.
- 7.14.21.1 The Vendor must explain the method of encryption for data-at-rest. Where are the encryption keys held? Who has access to the encryption keys?
- 7.14.21.2 The Vendor must explain the technical method of segregation used to separate State of MS data from other customer data. What are the policies and procedures in place to ensure State of MS data is not co-mingled with other customer's data?
- 7.14.22 The Vendor must have robust compartmentalization of job duties, perform background checks, require/enforce non-disclosure agreements, and limit staff knowledge of State of Mississippi data to that which is absolutely needed to perform job duties.
- 7.14.23 The Vendor must provide documentation of internal and external security controls, and their compliance level to industry standards.

7.14.24 The Vendor must ensure that State of Mississippi backed-up data is not commingled with other cloud service customer data.

## 8. Installation and Testing Requirements

- 8.1 The Vendor must specify the minimum and recommended PC workstation and browser specifications necessary for the Agency and public end-users to access the System as proposed. Neither Agency nor public user workstations should require special client software.
- 8.2 Vendor must identify the maximum number of concurrent users and describe the maximum system load that the system will support.
- 8.3 Vendor must perform sufficient analysis of the Agency's operations to ensure that all necessary business rules, data edits, tables, forms, screens, web pages, documents and reports are designed and incorporated into the System.
- 8.4 MDHS does not currently utilize an electronic Weatherization Assistance Program System; however it may be determined during the analysis phase that data conversion is needed to populate the proposed system. The Vendor must agree to work with MDHS to evaluate the existing data and provide a fixed hourly rate for data conversion services.
- 8.5 Vendor must propose the manner in which cutover will be handled for the proposed System. Cutover should be devised in such a way as to minimize the impact on the Agency's daily operations.
- 8.6 The Vendor must provide as a deliverable an "Acceptance Test Plan" (ATP). The ATP must be developed in conjunction with MDHS staff and must show events, sequences and schedules required for testing and acceptance of the system. The Customer must provide written approval that the proposed ATP is complete and acceptable.
- 8.7 The Vendor must provide technical staff onsite to participate in the Acceptance test as requested by MDHS.
- 8.8 The Vendor must complete the required System Administrator and Security Administrator training for MDHS staff prior to the start of QA/Acceptance testing.
- 8.9 The Vendor will be responsible for providing, in conjunction with MDHS staff, a help desk for users until Final Acceptance of the system is completed.
- 8.10 The Vendor will be responsible for conducting an operational test of the system in conjunction with MDHS staff. All functions of the system must be demonstrated to be operational. Following successful System Test, Vendor must certify in writing that the system is ready for Quality Assurance (QA)/Acceptance Testing and will perform in accordance with the functional and performance requirements stated in this document. The Vendor must ensure that the system in general and each module of the system in particular



operate according to specifications before turning the system over to the Customer for QA/Acceptance testing.

- 8.11 MDHS staff will be responsible for conducting QA/Acceptance testing. The Vendor must provide technical staff onsite to participate in the QA/Acceptance test as requested by MDHS. All functions of the system must be demonstrated to be operational by MDHS staff to ensure that proper training and knowledge transfer have been received.
- 8.12 The purpose and net result of the QA/Acceptance test is to determine that the installed system meets the technical and functional requirements outlined in these specifications. All defects will be documented and categorized by the State as described below. Defects categorized as severity levels 1- 3 must be corrected prior to the start of Pilot testing. All corrections will be made in the development environment and migrated into the testing environment to be QA/Acceptance tested.
- 8.12.1 Severity Level 1 shall be defined as urgent situations, when the production system is down and the State is unable to use the Weatherization Assistance Program; the contractor's technical support staff shall accept the State's call for assistance at the time the State places the initial call; however, if such staff is not immediately available, the contractor shall return the State's call within one (1) business hour. The contractor shall resolve Severity Level 1 problems as quickly as possible which, on average, shall not exceed two (2) business days, unless otherwise authorized in writing by the State.
- 8.12.2 Severity Level 2 shall be defined as a critical software system component(s) that has significant outages and/or failure precluding its successful operation, and possibly endangering the State's environment. The Weatherization Assistance Program may operate but is severely restricted. The contractor's technical support staff shall accept the State's call for assistance at the time the State places the initial call; however, if such staff is not immediately available, the contractor shall return the State's call within two (2) business hours. The contractor shall resolve Severity Level 2 problems as quickly as possible which, on average, shall not exceed three (3) business days, unless otherwise authorized in writing by the State.
- 8.12.3 Severity Level 3 shall be defined as a minor problem that exists with the Weatherization Assistance Program but the majority of the functions are still usable and some circumvention may be required to provide service. The contractor's technical support staff shall accept the State's call for assistance at the time the State places the initial call; however, if such staff is not immediately available, the contractor shall return the State's call on average within three (3) business hours. The contractor shall resolve Severity Level 3 problems as quickly as possible which, on average, shall not

exceed ten (10) business days, unless otherwise authorized in writing by the State.

- 8.12.4 Severity Level 4 shall be defined as a very minor problem or question that does not affect the Weatherization Assistance Program' function (e.g., the text of a message is worded poorly or misspelled.) The contractor's technical support staff shall accept the State's call for assistance at the time the State places the initial call; however, if such staff is not immediately available, the contractor shall return the State's call within four (4) business hours. The contractor shall resolve Severity Level 4 problems as quickly as possible which, on average, shall not exceed 15 business days, unless otherwise authorized in writing by the State.
- 8.12.5 General Assistance: For general software support/help desk calls not covered by the above severity level descriptions, the contractor's technical support staff shall accept the State's call for assistance at the time the State places the initial call; however, if such staff is not immediately available, the contractor shall return the State's call within five (5) business hours.
- 8.13 The State will certify in writing when the system has completed QA/Acceptance testing and is ready for Pilot testing.
- 8.14 Following acceptance of the system, MDHS staff will be responsible for conducting a Pilot test of the production system at several locations to be determined by MDHS to ensure the system operates according to the specifications outlined in this RFP in a live, day-to-day business environment. The Vendor must provide technical staff onsite to assist with Pilot test as requested by MDHS. The Pilot test will run for a minimum of ninety (90) days. All defects will be documented and prioritized by the State as described above. Defects categorized as severity level 1-3 must be corrected prior to the statewide rollout and the start of Final Acceptance testing. All corrections will be made in the development environment and migrated into the testing environment for regression QA/Acceptance testing. The State will certify in writing when the system has completed Pilot testing.
- 8.15 Final Acceptance Requirements
  - 8.15.1 After completion of Pilot testing, MDHS shall begin the statewide deployment of the system. After cut-over of the final district/site, the State shall begin the Final Acceptance period of ninety (90) working days. "Final Acceptance" shall mean written notice from the State that it has accepted the system upon successful completion of the 90 working day period of statewide production deployment during which time the system conformed in all material respects to the applicable specifications with no additional defects found.

8.15.2 This period includes, without limitation, correction of errors, design deficiencies, performance deficiencies, and incorrect or defective documentation. Any defects found will be documented and prioritized by the State and must be corrected by the Vendor at no additional cost within the time frame specified by their priority level. All corrections will be made in the development environment and migrated into the testing environment to be regression/QA tested. All new releases must be approved by MDHS prior to being moved into production.

8.15.3 Following Final Acceptance of the system by the State, the Vendor must deliver the integrated design framework which contains all relevant tools and technical information required to implement, modify and maintain the application for any developed and/or custom tailored software.

8.16 Post-Implementation Support

8.16.1 The Final Acceptance period will be followed by ninety (90) days of Post-Implementation Support prior to the start of the minimum Warranty period. The Post-Implementation support period will not begin until the Vendor has received written notification of Final Acceptance from the MDHS.

8.16.2 Any defects found will be documented and prioritized by the State. During this period, the Vendor will agree to correct any errors discovered at his own expense and in accordance with the specified amount of time for that category.

9. **Support Requirements**

9.1 Vendor must respond by telephone within one (1) hour to requests for support services. The Agency must be given priority placement in the support queue for all System locking situations or problems claimed by Agency to be a mission critical process.

9.2 Upon receipt of the Agency's call, Vendor must create a trouble ticket, assign a severity level and attempt to resolve the System problem in accordance with the procedures and processes for problem resolution detailed below. The Agency and Vendor must mutually agree on whether a problem is classified as a Severity Level 1, 2, or 3 problems.

9.2.1 Severity Level 1 implies that the System is not functioning. Some examples of Severity Level 1 System problems are: System is down and will not restart; or System is not able to communicate with external systems or users; or System is generating a data corruption condition.

- 9.2.1.1 Vendor must resolve Severity Level 1 System problems within one (1) business day, or within a mutually agreed upon time frame.
- 9.2.2 Severity Level 2 implies that an essential function does not work as documented, or testing and usage can continue but the task cannot be completed, and no workarounds exist.
  - 9.2.2.1 Vendor must resolve Severity Level 2 System problems within two (2) business days, or within a mutually agreed upon time frame.
- 9.2.3 Severity Level 3 implies a System problem such that implementations of functions do not match specifications and/or technical documentation, and a workaround may exist.
  - 9.2.3.1 Vendor must resolve Severity Level 3 System problems within ten (10) business days, or within a mutually agreed upon time frame.

## 10. Training

- 10.1 Vendor must propose multi-level training for at least ten (10) users and two (2) administrators of Agency personnel. Vendor must train a designated staff person in all aspects of systems administration for the proposed System. Agency staff must be trained in the competent use of the Weatherization Assistance Program modules as well as the query and reporting tools.
- 10.2 Vendor must describe the proposed training plan to include class objectives, scope, length of each class, class size and subject materials to be taught, and identify the costs associated with this requirement.
- 10.3 In addition, Vendor must furnish a training tutorial in video and/or manual media that will enable a new employee to perform system-related functions from day one of employment. This tutorial must take the employee through a stepwise introduction of each task necessary to perform any function of the system. The tutorial must be updated with each update the Vendor makes to their application software.

## 11. Additional Requirements

- 11.1 **ITS** acknowledges that the specifications within this RFP are not exhaustive. Rather, they reflect the known requirements that must be met by the proposed system. Vendors must specify, here, what additional components may be needed and are proposed in order to complete each configuration.

## 12. Scoring Methodology

- 12.1 An Evaluation Team composed of MDHS and **ITS** staff will review and evaluate all proposals. All information provided by the Vendors, as well as any other

information available to evaluation team, will be used to evaluate the proposals.

- 12.1.1 Each category included in the scoring mechanism is assigned a weight between one and 100.
- 12.1.2 The sum of all categories, other than Value-Add, equals 100 possible points.
- 12.1.3 Value-Add is defined as product(s) or service(s), exclusive of the stated functional and technical requirements and provided to the State at no additional charge, which, in the sole judgment of the State, provide both benefit and value to the State significant enough to distinguish the proposal and merit the award of additional points. A Value-Add rating between 0 and 5 may be assigned based on the assessment of the evaluation team. These points will be added to the total score.
- 12.1.4 For the evaluation of this RFP, the Evaluation Team will use the following categories and possible points:

Category	Possible Points
Non-Cost Categories:	
Statements of Understanding, Vendor Requirements	20
Technical and Hosting Requirements	25
Installation/Testing, Support, and Training Requirements	15
Total Non-Cost Points	60
Cost	40
Total Base Points	100
Value Add	5
<b>Maximum Possible Points</b>	<b>105</b>

12.2 The evaluation will be conducted in four stages as follows:

- 12.2.1 Stage 1 – Selection of Responsive/Valid Proposals – Each proposal will be reviewed to determine if it is sufficiently responsive to the RFP requirements to permit a complete evaluation. A responsive proposal must comply with the instructions stated in this RFP with regard to content, organization/format, Vendor experience, number of copies, bond requirement, timely delivery, and must be responsive to all mandatory requirements. No evaluation points will be awarded in this stage. Failure to submit a complete proposal may result in rejection of the proposal.

12.2.2 Stage 2 – Non-cost Evaluation (all requirements excluding cost)

12.2.2.1 Non-cost categories and possible point values are as follows:

<b>Non-Cost Categories</b>	<b>Possible Points</b>
Statements of Understanding, Vendor Requirements	20
Technical and Hosting Requirements	25
Installation/Testing, Support, and Training Requirements	15
<b>Maximum Possible Points</b>	<b>60</b>

12.2.2.2 Proposals meeting fewer than 80% of the requirements in the non-cost categories may be eliminated from further consideration.

12.2.2.3 ITS scores the non-cost categories on a 10-point scale, with 9 points for meeting the requirement. The ‘Meets Specs’ score for each category is 90% of the total points allocated for that category. For example, the ‘Technical and Hosting Requirements’ category was allocated 25 points; a proposal that fully met all requirements in that section would have scored 22.5 points. The additional 10% is used for a proposal that exceeds the requirement for an item in a way that provides additional benefits to the state.

12.3 Stage 3 – Cost Evaluation

12.3.1 Points will be assigned using the following formula:

$$(1 - ((B - A) / A)) * n$$

Where:

- A = Total lifecycle cost of lowest valid proposal
- B = Total lifecycle cost of proposal being scored
- n = Maximum number of points allocated to cost for acquisition

12.3.2 Cost categories and maximum point values are as follows:

<b>Cost Category</b>	<b>Possible Points</b>
Lifecycle Cost	40
<b>Maximum Possible Points</b>	<b>40</b>

12.4 Stage 4 – Selection of the successful Vendor

12.4.1 On-site Demonstrations and Interviews

12.4.1.1 At the discretion of the State, evaluators may request interviews, on-site presentations, demonstrations or discussions with any and all Vendors for the purpose of system overview and/or clarification or amplification of information presented in any part of the proposal.

12.4.1.2 If requested, Vendors must be prepared to make on-site demonstrations of system functionality and/or proposal clarifications to the evaluation team and its affiliates within seven calendar days of notification. Each presentation must be made by the project manager being proposed by the Vendor to oversee implementation of this project.

12.4.1.3 Proposed key team members must be present at the on-site demonstration. The evaluation team reserves the right to interview the proposed key team members during this onsite visit.

12.4.1.4 Although on-site demonstrations may be requested, the demonstration will not be allowed in lieu of a written proposal.

12.4.2 Site Visits

12.4.2.1 At the State's option, Vendors that remain within a competitive range must be prepared to provide a reference site within seven calendar days of notification. If possible, the reference site should be in the Southeastern region of the United States. Vendor must list potential reference sites in the proposal.

12.5 Final Quantitative Evaluation - Following any requested presentations, demonstrations, and/or site visits, the Evaluation Team will re-evaluate any technical/functional scores as necessary. The technical/functional and cost scores will then be combined to determine the Vendor's final score.

**SECTION VIII  
 COST INFORMATION SUBMISSION**

Vendors must propose a summary of all applicable project costs in the matrix that follows. The matrix must be supplemented by a cost itemization fully detailing the basis of each cost category. The level of detail must address the following elements as applicable: item, description, quantity, retail, discount, extension, and deliverable. Any cost not listed in this section may result in the Vendor providing those products or services at no charge to the State or face disqualification.

Description	Quantity	Unit Cost	Extended Cost
Implementation Services (fully loaded with travel, subsistence and associated per diem costs) Break out costs by:			
Pre-installation:			
- Requirements Analysis		\$	\$
- System Design		\$	\$
Interface with Virtual ROMA/CAM-IS		\$	\$
Implementation		\$	\$
Other Costs (specify)		\$	\$
Training/Knowledge Transfer Costs			
Internal-User Training (25)		\$	\$
Administrator Training –system controls, security, configuration (5)		\$	\$
<b>General Costs</b>			
Annual Subscription Fee (5 years)			
Year 1		\$	\$
Year 2		\$	\$
Year 3		\$	\$
Year 4		\$	\$
Year 5		\$	\$



Maintenance and Support Costs (if separate) 8:00 A.M. to 5:00 P.M. Central Time, Monday through Friday			
Year 1		\$	\$
Year 2		\$	\$
Year 3		\$	\$
Year 4		\$	\$
Year 5		\$	\$
Miscellaneous Costs (must specify)		\$	\$
Total 5-Year Lifecycle Cost			\$
Fully-loaded Hourly Database Conversion Rate		\$	\$
If Change Order Rate varies depending on the level of support, Vendor should specify the Change Order Rate according to position.			
Fully-loaded Change Order Rate		\$	\$

## SECTION IX REFERENCES

Please return the following Reference Forms, and if applicable, Subcontractor Reference Forms.

### 1. References

- 1.1 The Vendor must provide at least **3** references consisting of Vendor accounts that the State may contact. Required information includes customer contact name, address, telephone number, email address, and engagement starting and ending dates. Forms for providing reference information are included later in this RFP section. The Vendor must make arrangements in advance with the account references so that they may be contacted at the Project team's convenience without further clearance or Vendor intercession.
- 1.2 Any of the following may subject the Vendor's proposal to being rated unfavorably relative to these criteria or removed from further consideration, at the State's sole discretion:
  - 1.2.1 Failure to provide reference information in the manner described;
  - 1.2.2 Inability of the State to substantiate minimum experience or other requirements from the references provided;
  - 1.2.3 Non-responsiveness of references to the State's attempts to contact them; or
  - 1.2.4 Unfavorable references that raise serious concerns about material risks to the State in contracting with the Vendor for the proposed products or services.
- 1.3 References should be based on the following profiles and be able to substantiate the following information from both management and technical viewpoints:
  - 1.3.1 The reference installation must be for a project similar in scope and size to the project for which this RFP is issued;
  - 1.3.2 The reference installation must have been operational for at least six (6) months.
- 1.4 The State reserves the right to request information about the Vendor from any previous customer of the Vendor of whom the State is aware, including the procuring agency and/or other agencies or institutions of the State, even if that customer is not included in the Vendor's list of references, and to utilize such information in the evaluation of the Vendor's proposal.
- 1.5 Unless otherwise indicated in the Scoring Methodology in Section VII, reference information available to the State will be used as follows:

- 1.5.1 As documentation supporting mandatory experience requirements for companies, products, and/or individuals, as required in this RFP;
- 1.5.2 To confirm the capabilities and quality of a Vendor, product, or individual for the proposal deemed lowest and best, prior to finalizing the award.
- 1.6 The State reserves the right to forego reference checking when, at the State's sole discretion, the evaluation team determines that the capabilities of the recommended Vendor are known to the State.

## 2. **Subcontractors**

The Vendor's proposal must identify any subcontractor that will be used and include the name of the company, telephone number, contact person, type of work subcontractor will perform, number of certified employees to perform said work, and three (3) references for whom the subcontractor has performed work that the State may contact. Forms for providing subcontractor information and references are included at the end of this section.

Unless otherwise noted, the requirements found in the References section may be met through a combination of Vendor and subcontractor references and experience. Vendor's proposal should clearly indicate any mandatory experience requirements met by subcontractors. NOTE: The State reserves the right to eliminate from further consideration proposals in which the prime Vendor does not, in the State's sole opinion, provide substantive value or investment in the total solution proposed. (i.e. the State does not typically accept proposals in which the prime Vendor is only a brokering agent.)

## REFERENCE FORM

### Complete 3 Reference Forms.

Contact Name:

Company Name:

Address:

Phone #:

E-Mail:

Project Start Date:

Project End Date:

Description of product/services/project, including start and end dates:

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### SUBCONTRACTOR REFERENCE FORM

**Complete a separate form for each subcontractor proposed.**

Contact Name:  
Company name:  
Address:  
Phone #:  
E-Mail:

Scope of services/products to be provided by subcontractor:

**Complete three (3) Reference Forms for each Subcontractor.**

Contact Name:  
Company name:  
Address:  
Phone #:  
E-Mail:

Description of product/services/project, including start and end dates:

**EXHIBIT A  
STANDARD CONTRACT**

A properly executed contract is a requirement of this RFP. After an award has been made, it will be necessary for the winning Vendor to execute a contract with **ITS**. The inclusion of this contract does not preclude **ITS** from, at its sole discretion, negotiating additional terms and conditions with the selected Vendor(s) specific to the projects covered by this RFP.

If Vendor cannot comply with any term or condition of this Standard Contract, Vendor must list and explain each specific exception on the *Proposal Exception Summary Form* included in Section V.

**PROJECT NUMBER 42096  
SOFTWARE LICENSE AND APPLICATION SERVICE PROVIDER AGREEMENT  
BETWEEN  
INSERT VENDOR NAME  
AND  
MISSISSIPPI DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES  
AS CONTRACTING AGENT FOR THE  
MISSISSIPPI DEPARTMENT OF HUMAN SERVICES**

This Software License and Application Service Provider Agreement (hereinafter referred to as “Agreement”) is entered into by and between, **INSERT VENDOR NAME**, a **INSERT STATE OF INCORPORATION** corporation having its principal place of business at **INSERT VENDOR ADDRESS** (hereinafter referred to as “Licensor” and/or “Contractor”), and Mississippi Department of Information Technology Services having its principal place of business at 3771 Eastwood Drive, Jackson, Mississippi 39211 (hereinafter referred to as “ITS”), as contracting agent for the Mississippi Department of Human Services, located at 750 North State Street, Jackson, Mississippi 39202 (hereinafter referred to as “Licensee” and/or “MDHS”). ITS and MDHS are sometimes collectively referred to herein as “State.”

**WHEREAS**, MDHS, pursuant to Request for Proposals (“RFP”) No. 3837 requested proposals for the services of a contractor to host and maintain an Application Service Provider (“ASP”) solution for a Weatherization Assistance Management System; and

**WHEREAS**, Licensor was the successful proposer in an open, fair and competitive procurement process to provide the software and services described herein;

**NOW THEREFORE**, in consideration of the mutual understandings, promises and agreements set forth, the parties hereto agree as follows:

**ARTICLE 1 DEFINITIONS**

**1.1** “Active User” means MDHS employees actively participating on the system in any given month of operation, who shall be bound by the terms and conditions of this Agreement. Licensor does not impose a limit on the number of Active Users accessing or registering to use the system.

**1.2** “Available Date” means the date upon which Licensor notifies MDHS that the Software may be accessed on the Licensor’s ASP server and MDHS may begin acceptance testing.

**1.3** “Content” means any content provided by or through Active Users for use with the Software.

**1.4** “Documentation” means the published user and technical manuals and documentation that Licensor makes generally available for the Software; the help files included within the Software, and any files containing presentation materials or manuals or other related materials to train and educate Licensee and the Active Users on the use of the Software.

**1.5** “Enhancements” means the corrections, updates, upgrades or new versions of the Software or Documentation that Licensor may provide to Licensee under this Agreement.

**1.6** “Licensee” means the MDHS, its employees and any third party consultants or outsourcers engaged by MDHS who have a need to know and who shall be bound by the terms and conditions of this Agreement.

**1.7** “Licensor” means **VENDOR NAME**, and its successors and assigns.

**1.8** “Products” means the Software, Documentation, Corrections, Enhancements and any copy of the Software, Documentation, Corrections, or Enhancements provided by the Licensor.

**1.9** “Services” means any on-line user access, customizations, interface development, consulting, education, ASP installation, system administration, training, maintenance, support, and Help Desk services provided by Licensor to Licensee.

**1.10** “Software” means the machine-readable object code version of the computer programs whether embedded on disc, tape or other media used for the management of the web-based System and Supported Interfaces (and any Documentation and help files within the Software), including any Enhancements provided pursuant to the maintenance and support terms identified herein.

**1.11** “Software Error” means a reproducible defect or combination thereof in the Software that results in a failure of the Software when used in accordance with the Documentation. Software Errors do not include those errors caused by (a) Licensee’s negligence, (b) any unauthorized modification or alteration Licensee makes to the Software, (c) data that does not conform to Licensor’s specified data format, (d) operator error, or (e) use not conforming to the Licensor’s supported technical environment specified in the Documentation.

**1.12** “Supported Interfaces” means application-based interfaces (API), network protocols, data formats, database schemas, and file formats used in the Software as described in the Documentation.

## **ARTICLE 2 PERIOD OF PERFORMANCE**

**2.1** Unless this Agreement is extended by mutual agreement or terminated as prescribed elsewhere herein, this Agreement shall begin on the date it is signed by all parties (“Effective Date”) and shall continue in effect until the Licensor completes all tasks required herein pursuant to the project work plan, including services during the five (5) year hosting term. The web-based system, as customized for the State of Mississippi, must be implemented; fully functional; accepted by MDHS, and all tasks (excluding hosting) required herein, including but not limited to development of required interfaces and training, completed within six (6) weeks of the Effective Date, unless a change in this date is mutually agreed to in writing by the State and the Licensor. At the end of the five (5) year initial ASP services term, the ASP services may, upon the written agreement of the parties, be renewed under the same terms and conditions for an additional five (5) year term. One hundred and eighty (180) days prior to the expiration of the initial hosting term or any renewal hosting term of this Agreement, Licensor shall notify MDHS and ITS of the impending expiration and MDHS shall have sixty (60) days in which to notify Licensor of its intention to either renew or cancel the ASP services.

**2.2** This Agreement will become a binding obligation on the State only upon the issuance of a valid purchase order by MDHS following contract execution and the issuance by ITS of the CP-1 Acquisition Approval Document.

### **ARTICLE 3 SCOPE OF SERVICES**

**3.1** The Licensor agrees to provide to MDHS an ASP based Weatherization Assistance Management Software system and Services and associated deliverables required to provide, host and maintain a web based application for MDHS as described in this Agreement. While the scope of work for this project is defined by the contract documents set forth herein in the article titled “Entire Agreement”, a summary of such work is outlined in Article 3.5 below.

**3.2** The Licensor acknowledges that MDHS intends to be actively involved in the day-to-day progress of the project. The Licensor agrees to (a) obtain MDHS’ approval of all tasks and the time schedule for completion of said tasks prior to commencing performance, if not already contained in the approved project work plan; (b) make available to the State project team members all project work papers and work-in-progress for review; (c) ensure that the Licensor Project Manager works closely together with the State Project Manager, (d) provide MDHS access to the host website; (e) meet with MDHS on a regular basis at a mutually agreeable time, and as otherwise requested by MDHS, to discuss the status of the project, and (f) if required by MDHS, submit written project status reports.

**3.3** The parties understand and agree that the project shall be structured with interim deliverables as set forth in the agreed upon project work plan so as to allow MDHS an opportunity to accept or reject the deliverables, including but not limited to, specifications, requirement definitions, process designs, data analyses, web layouts, screen layouts, and report layouts. The actual customizations shall not begin until after MDHS has communicated its conceptual approval of the results the Licensor plans to provide. MDHS shall have ten (10) business days to review interim materials, which review period can only be reduced by mutual agreement of the Licensor and MDHS.



**3.4** It is understood by the parties that the project work plan must be in place within fifteen (15) business days of execution of this Agreement and prior to any other work being performed. Once this mutually agreed upon project work plan, which will identify specific time frames and deliverable target dates for this project, has been developed, it will be incorporated into and made a part of this Agreement. The dates in the project work plan will define the agreed upon period of performance. The parties acknowledge that the project work plan will evolve and change from time to time upon the mutual written agreement of both parties. The parties agree that the deliverables and schedule set forth in the latest version of the project work plan will take precedence over any prior plans.

**3.5** Licensor shall be responsible for the following:

- A.** Ensuring that all deliverables are complete and accepted by MDHS pursuant to the mutually agreed upon project work plan;
- B.** Ensuring that the host site complies with PriorityOne of the World Wide Web Consortium's (W3C's) Web Accessibility Initiative and guidelines in Section 508 of the Rehabilitation Act that are not covered in W3C Priority;
- C.** Ensuring that the site is accessible through MDHS' published universal resource locator ("URL") rather than through Licensor's site address;
- D.** Reviewing with MDHS the Content a minimum of once a quarter to ensure that the Content remains timely and accurate and reaching an agreement with MDHS as to reasonable timelines for implementing Content updates delivered to the Licensor that will be posted on the site;
- E.** Tracking date sensitive items to ensure timely updates;
- F.** All Content provided by the Licensee and collected by the Software shall remain the sole and exclusive property of the Licensee. Upon the termination or expiration of this Agreement, Licensor shall provide such Content in its possession to the Licensee pursuant to a mutually agreed upon release schedule;
- G.** Working with MDHS to achieve access rates that meet MDHS' needs;
- H.** Providing security for the host site that is agreeable to MDHS with Licensor responsible for all necessary equipment and software related to security;
- I.** Maintaining the accessibility of the site twenty-four (24) hours a day, seven (7) days a week at an uptime rate of 99% or greater, subject to the limitations set forth in this Agreement, including but not limited to, those in Article 4.4;
- J.** Completing daily backups of the site;
- K.** Notifying MDHS at least three (3) business days prior to any anticipated service interruption, with said notice containing a general description of the reason for the service interruption;
- L.** Proposing and adhering to a disaster recovery plan and providing access to such plan to the State, all at Licensor's expense;
- M.** Participating with MDHS in disaster recovery planning and testing based on a mutually agreed upon schedule;
- N.** Maintaining the confidentiality of the data entered;
- O.** Providing MDHS access to all of the technical information concerning operation of the site, including but not limited to, server specifications, Internet connection information,

- personnel requirements and software implementations;
- P. Identifying any commercially available software, by vendor and version number, integrated into the Products and describing the particular functionality of any software that is proprietary to the Licensor;
  - Q. Maintaining the host site, with the cost for such support, maintenance, and hosting for years following the initial five (5) year period not increasing annually beyond five percent (5%) or the percent increase in the consumer price index for all Urban Consumers, US City Average (C.P.I.-U) for the preceding year, whichever is less;
  - R. Providing 24x7x365 support of the web site, including sub-domain support;
  - S. Providing redundant internet connections;
  - T. Providing Dual T1 or greater connectivity;
  - U. Providing FTP and remote configuration access;
  - V. Providing SSL secure server support;
  - W. Providing monthly reports containing line utilization, site availability statistics, network usage, security user access reports and system performance data to MDHS;
  - X. Maintaining sufficient bandwidth and server capacity to meet MDHS and Active Users' demand as it may fluctuate and increase during the term of this Agreement, and
  - Y. Ensuring that upon termination or expiration of this Agreement that transition of the site from the Licensor to MDHS or to a successor host will be accomplished at no expense to MDHS, and with minimal interruption of the site's accessibility and insignificant changes in the site's appearance and functionality.

**3.6** In the event Licensor creates any revisions to or upgrades of the system, Licensor shall provide Licensee thirty (30) days written notification of such revision or upgrade, and shall, upon request of Licensee, furnish such revision or upgrade to Licensee free of charge as part of the ASP fees.

#### **ARTICLE 4 SCOPE OF LICENSE AND HOSTING SERVICES**

**4.1** Subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee a non-exclusive and non-transferable license to access the Software over the Internet and to use it for Licensee's business operations and use it on the Licensor's host server for the initial term of the Agreement and any subsequent renewal hosting terms in accordance with, and subject to, the terms and conditions set forth in this Agreement. Licensee and Active Users are granted access to the Software, Products and Services twenty-four (24) hours a day, seven (7) days a week, three hundred and sixty five (365) days a year, subject to regularly scheduled maintenance and required repairs. The terms and conditions of this Agreement will apply to any Enhancements or additional Software Products Licensee may procure from Licensor.

**4.2** Licensor will provide Licensee storage space on and access to Licensor's Software via the Internet and provide Internet access to the Software to the Active Users through Licensor's site ("ASP Services").

**4.3** In connection with the ASP Services, Licensor will provide and maintain all Software and hardware, including, but not limited to, the server hardware and software, telecommunications hardware and software, security hardware and software and other software

that is reasonably necessary to operate and maintain the Software.

**4.4** The Software will be accessible at least ninety nine percent (99%) of the time, twenty-four (24) hours a day, seven (7) days a week, except for scheduled maintenance and required repairs, and except for any loss or interruption of the ASP Services due to causes beyond the control of Licensor. In the event that MDHS or an Active User is unable to achieve the 99% application availability during any given month, excluding scheduled maintenance, required repairs, and unavailability due to causes beyond the control of Licensor, the Licensor shall reimburse MDHS twenty five percent (25%) of the monthly ASP hosting fees for each twenty-four (24) hour day during which there were any incidents of unavailability. Licensor shall maintain the server at a secured location with restricted access.

**4.5** Licensor shall provide the Licensee with its standard managed firewall service, which shall enable secure delivery of Licensor's application services using fully redundant hardware-based firewalls. Licensor's managed firewall service will be available twenty-four (24) hours a day, seven (7) days a week.

**4.6** The use of the Software by Active Users will be governed solely by the terms and conditions of this Agreement.

**4.7** Licensor acknowledges that the Content is and shall remain the sole and exclusive property of Licensee. Further, Licensor acknowledges that the Content may contain valuable trade secrets of Licensee and Licensor agrees to maintain the confidentiality of the Content and shall not make the Content publicly available except as may be necessary in performing the ASP Services.

**4.8** Licensee acknowledges that the Software Products shall remain the exclusive property of Licensor. Licensee agrees that except as noted herein, it will not otherwise copy, translate, modify, adapt, decompile, disassemble or reverse engineer any of the Software without the prior written consent of Licensor.

## **ARTICLE 5 DELIVERY; RISK OF LOSS, AND ACCEPTANCE**

**5.1** Licensor shall deliver, install, and make available the Software and Documentation to the Licensor's hosting environment, except as otherwise specified, and pursuant to the delivery schedule mutually agreed to by the parties.

**5.2** Licensor shall assume and bear the entire risk of loss and damage to the Products from any cause whatsoever while in transit and at all times throughout Licensor's possession thereof.

**5.3** MDHS shall have thirty (30) calendar days after the Available Date to evaluate and conduct the final acceptance testing of the Software to confirm that it performs without any defects and performs in accordance with the requirements of this Agreement. MDHS shall immediately thereafter notify Licensor of any defects in the Software, which must be corrected. Thereafter, Licensor shall have ten (10) business days in which to either repair or replace the defective Software unless both parties agree to extend this period, all at Licensor's expense. In

the event Licensor is unable to repair or replace the Software within this ten (10) day period, MDHS may terminate this Agreement pursuant to the Termination Article herein.

## **ARTICLE 6 CONSIDERATION AND METHOD OF PAYMENT**

**6.1** The total compensation to be paid to the Licensor by MDHS for all development, maintenance and ASP services, customizations, products, travel, performances and expenses under this Agreement shall not exceed the specified sum of \$**INSERT TOTAL COMPENSATION** and shall be payable as set forth in the Payment Schedule attached hereto as Exhibit A.

**6.2** Licensor shall submit invoices with the appropriate documentation to MDHS monthly for any month in which ASP services and/or other Services are rendered. Licensor shall submit invoices and supporting documentation to MDHS electronically during the term of this Agreement using the processes and procedures identified by the State. MDHS agrees to make payment in accordance with Mississippi law on “Timely Payments for Purchases by Public Bodies”, Section 31-7-301, et seq. of the 1972 Mississippi Code Annotated, as amended, which generally provides for payment of undisputed amounts by MDHS within forty-five (45) days of receipt of the invoice. Licensor understands and agrees that MDHS is exempt from the payment of taxes. All payments shall be in United States currency. Payments by state agencies using Mississippi’s Accountability System for Government Information and Collaboration (MAGIC) shall be made and remittance information provided electronically as directed by the State. The payments by these agencies shall be deposited into the bank account of the Licensor’s choice. No payment, including final payment, shall be construed as acceptance of defective products or incomplete work, and the Contractor shall remain responsible and liable for full performance in strict compliance with the contract documents specified in the article herein titled “Entire Agreement.”

**6.3** Acceptance by the Licensor of the last payment due from MDHS under this Agreement shall operate as a release of all claims for money against the State by the Licensor and any subcontractors or other persons supplying labor or materials used in the performance of the work under this Agreement.

## **ARTICLE 7 WARRANTY**

**7.1** Licensor represents and warrants that it has the right to license the Products provided under this Agreement.

**7.2** Licensor represents and warrants that the Products provided by Licensor shall meet or exceed the minimum specifications set forth in RFP No. 3837 and Licensor’s Proposal, as accepted by the State, in response thereto.

**7.3** During the term of this Agreement, the Licensor represents and warrants that all deliverables shall be free from any defect, deficiency, faultiness, imperfection, inadequacy, incompleteness or other condition (collectively referred to herein as “Defect”) which would render any such deliverable inoperable in any way or which would prevent full performance in accordance with this Agreement. This warranty includes, without limitation, correction of errors,

design deficiencies, performance deficiencies, and incorrect or defective Documentation, including those found during acceptance testing, implementation, and the warranty period. Acceptance testing shall not in any way relieve the Licensor of its responsibilities to correct any Defect during the warranty period. The Licensor shall repair any Defect at no cost to the State within ten (10) business days of receiving notice of the Defect from the State, unless MDHS consents in writing to a longer period of repair time. In the event Licensor is unable to repair or replace the Software within the mutually agreed upon time frame after receipt of notice of the Defect, MDHS shall be entitled to a full refund of fees paid and shall have the right to terminate this Agreement in whole or in part as provided for in the Termination Article herein. Licensee's rights hereunder are in addition to any other rights Licensee may have.

**7.4** During the term of this Agreement, the Licensor represents and warrants that its Services hereunder shall be performed by competent personnel and shall be of professional quality consistent with generally accepted industry standards for the performance of such Services and shall comply in all respects with the requirements of this Agreement. For any breach of this warranty, Licensor shall perform the Services again, at no cost to the State, or if Licensor is unable to perform the Services as warranted, Licensor shall reimburse the State the fees paid to Licensor for the unsatisfactory Services.

**7.5** Licensor represents and warrants that neither the Software, nor Enhancements shall contain a disabling code, lockup program or device. Licensor further agrees that it will not, under any circumstances including enforcement of a valid contract right, (a) install or trigger a lockup program or device, or (b) take any step which would in any manner interfere with Licensee's licensed use of the Software, or Enhancements and/or which would restrict Licensee from accessing its data files or in any way interfere with the transaction of Licensee's business. For any breach of this warranty, Licensor at its expense shall, within ten (10) business days after receipt of notification of the breach, deliver Products to Licensee that are free of such disabling code, lockup program or device.

**7.6** Licensor represents and warrants that neither the Software, nor Enhancements delivered to Licensee contain a computer virus. For purposes of this provision, a computer virus shall be defined as code intentionally inserted in the Software or Enhancements that will damage or destroy Licensee's applications or data. For any breach of this warranty, Licensor at its expense shall, within five (5) business days after receipt of notification of the breach, deliver Products to Licensee that are free of any virus, and shall be responsible for repairing, at Licensor's expense, any and all damage done by the virus to Licensee's site.

**7.7** The Licensor represents and warrants that, upon completion of the project, the Licensor, and all subcontractors, if any, shall convey to MDHS copies of all interim reports, cost records, data collection forms, and any working papers that support the final acceptance.

**7.8** Licensor represents and warrants that it has obtained all necessary rights to permit use of the graphics on the site and that the Licensor shall provide MDHS with evidentiary proof of graphic licenses and releases. Further, the Licensor represents and warrants that all Licensor-supplied graphics and content contains no scandalous or libelous material.

**7.9** The Licensor represents and warrants that the deliverables provided to MDHS under this Agreement, and their use by Active Users, will not infringe or constitute an infringement of any copyright, patent, trademark, servicemark, trade secret or other proprietary right of any person or entity. Licensee agrees that it will promptly notify Licensor in writing of any such claim or action of which it has knowledge, and that it will cooperate fully in the defense and investigation of the claim by supplying Licensor all relevant information currently available and in its possession, all at Licensor's expense. Licensor shall, to the extent authorized by Mississippi law, have sole control over the defense or settlement of any such claim or action. Licensor, at its own expense, shall defend or settle any and all infringement actions filed against Licensor or the State which involve the deliverables or other items provided under this Agreement and shall pay all settlements, as well as all costs, attorney fees, damages and judgment finally awarded against the State. If, in any such suit arising from such claim, the continued use of the items for the purpose intended is enjoined or threatened to be enjoined by any court of competent jurisdiction, Licensor shall, at its expense: (a) procure for the State the right to continue using such items, or (b) modify or replace them with non-infringing items with equivalent functionality, or, to the extent (a) or (b) cannot be done despite Licensor's commercially reasonable efforts, (c) refund to the State the fees previously paid by the State for the infringing Products. Said refund shall be paid within ten (10) business days of notice to the State to discontinue said use. In addition to the foregoing, the Licensor shall indemnify the State in accordance with the provisions of Article 18 herein.

**7.10** Licensor represents and warrants that the host site provided by the Licensor shall be reasonably expandable and scalable so MDHS can add and support additional business functions and users over time. It is understood and agreed that any standard revisions, enhancements, improvements, and upgrades to the licensed Software and host site equipment during the term of this Agreement, including operating system, database management system, and other software, shall be provided by Licensor to MDHS at no additional cost to MDHS.

**7.11** Licensor represents and warrants that it presently has and will continue to maintain, at its own expense, throughout the term of this Agreement, valid licenses for all software, trademarks, service marks, patents and copyrighted material and any other proprietary information of a third party that it will deploy in support of all products Licensor uses in the performance of this Agreement.

**7.12** If applicable under the given circumstances, Licensor represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act, Section 71-11-1, et seq. of the Mississippi Code Annotated (Supp2008), and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Licensor agrees to maintain records of such compliance and, upon request of the State and approval of the Social Security Administration or Department of Homeland Security

where required, to provide a copy of each such verification to the State. Licensor further represents and warrants that any person assigned to perform services hereunder meets the employment eligibility requirements of all immigration laws of the State of Mississippi. Licensor understands and agrees that any breach of these warranties may subject Licensor to the following: (a) termination of this Agreement and ineligibility for any state or public contract in Mississippi for up to three (3) years, with notice of such cancellation/termination being made public, or (b) the loss of any license, permit, certification or other document granted to Licensor by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year, or (c) both. In the event of such termination/cancellation, Licensor would also be liable for any additional costs incurred by the State due to contract cancellation or loss of license or permit.

**7.13** Licensor represents and warrants that the system provided pursuant to this Agreement will pass both internal security audits and independent security audits. For any breach of the preceding warranty at any time during which the system is covered by warranty and/or software support, Licensor shall, at its own expense and at no cost to Licensee, remediate any defect, anomaly or security vulnerability in the system by repairing and/or replacing any and all components of the system necessary in order for the system to be secure.

**7.14** Licensor represents and warrants that no official or employee of Licensee or of ITS, and no other public official of the State of Mississippi who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the project shall, prior to the completion of said project, voluntarily acquire any personal interest, direct or indirect, in this Agreement. The Licensor warrants that it has removed any material conflict of interest prior to the signing of this Agreement, and that it shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its responsibilities under this Agreement. The Licensor also warrants that in the performance of this Agreement no person having any such known interests shall be employed.

**7.15** The Licensor represents and warrants that no elected or appointed officer or other employee of the State of Mississippi, nor any member of or delegate to Congress has or shall benefit financially or materially from this Agreement. No individual employed by the State of Mississippi shall be admitted to any share or part of the Agreement or to any benefit that may arise therefrom. The State of Mississippi may, by written notice to the Licensor, terminate the right of the Licensor to proceed under this Agreement if it is found, after notice and hearing by the ITS Executive Director or his/her designee, that gratuities in the form of entertainment, gifts, jobs, or otherwise were offered or given by the Licensor to any officer or employee of the State of Mississippi with a view toward securing this Agreement or securing favorable treatment with respect to the award, or amending or making of any determinations with respect to the performing of such contract, provided that the existence of the facts upon which the ITS Executive Director makes such findings shall be in issue and may be reviewed in any competent court. In the event this Agreement is terminated under this article, the State of Mississippi shall be entitled to pursue the same remedies against the Licensor as it would pursue in the event of a breach of contract by the Licensor, including punitive damages, in addition to any other damages to which it may be entitled at law or in equity.

**7.16** Licensor represents and warrants that it will comply with all of the requirements defined in IRS Publication 1075 as set forth in Exhibit B and the requirements as defined in the document entitled “Safeguarding and Reporting Responsibilities for Personally Identifiable Information” as set forth in Exhibit C, both of which are attached hereto and incorporated herein by reference.

## **ARTICLE 8 EMPLOYMENT STATUS**

**8.1** Licensor shall, during the entire term of this Agreement, be construed to be an independent contractor. Nothing in this Agreement is intended to nor shall be construed to create an employer-employee relationship, or a joint venture relationship.

**8.2** Licensor represents that it is qualified to perform the duties to be performed under this Agreement and that it has, or will secure, if needed, at its own expense, applicable personnel who shall be qualified to perform the duties required under this Agreement. Such personnel shall not be deemed in any way, directly or indirectly, expressly or by implication, to be employees of Licensee.

**8.3** Any person assigned by Licensor to perform the Services hereunder shall be the employee of Licensor, who shall have the sole right to hire and discharge its employee. Licensee may, however, direct Licensor to replace any of its employees under this Agreement.

**8.4** Licensor shall pay when due, all salaries and wages of its employees and it accepts exclusive responsibility for the payment of federal income tax, state income tax, social security, unemployment compensation and any other withholdings that may be required. Neither Licensor nor employees of Licensor are entitled to state retirement or leave benefits.

## **ARTICLE 9 BEHAVIOR OF EMPLOYEES/SUBCONTRACTORS**

Licensor will be responsible for the behavior of all its employees and subcontractors while on the premises of any Licensee location. Any employee or subcontractor acting in a manner determined by the administration of that location to be detrimental, abusive or offensive to any of the staff will be asked to leave the premises and may be suspended from further work on the premises. All Licensor employees and subcontractors who will be working at such locations shall be covered by Licensor’s comprehensive general liability insurance policy.

## **ARTICLE 10 MODIFICATION OR RENEGOTIATION**

This Agreement may be modified only by written agreement signed by the parties hereto, and any attempt at oral modification shall be void and of no effect. The parties agree to renegotiate the Agreement if federal and/or state revisions of any applicable laws or regulations make changes in this Agreement necessary.

## **ARTICLE 11 AUTHORITY, ASSIGNMENT AND SUBCONTRACTS**

**11.1** In matters of proposals, negotiations, contracts, and resolution of issues and/or disputes, the parties agree that Licensor represents all contractors, third parties, and/or subcontractors Licensor has assembled for this project. The Licensee is required to negotiate only with



Licensor, as Licensor's commitments are binding on all proposed contractors, third parties, and subcontractors.

**11.2** Neither party may assign or otherwise transfer this Agreement or its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld. Any attempted assignment or transfer of its obligations without such consent shall be null and void. This Agreement shall be binding upon the parties' respective successors and assigns.

**11.3** Licensor must obtain the written approval of MDHS before subcontracting any portion of this Agreement. No such approval by MDHS of any subcontract shall be deemed in any way to provide for the incurrence of any obligation of MDHS in addition to the total fixed price agreed upon in this Agreement. All subcontracts shall incorporate the terms of this Agreement and shall be subject to the terms and conditions of this Agreement and to any conditions of approval that MDHS may deem necessary.

**11.4** Licensor represents and warrants that any subcontract agreement Licensor enters into shall contain a provision advising the subcontractor that the subcontractor shall have no lien and no legal right to assert control over any funds held by the Licensee, and that the subcontractor acknowledges that no privity of contract exists between the Licensee and the subcontractor and that the Licensor is solely liable for any and all payments which may be due to the subcontractor pursuant to its subcontract agreement with the Licensor. The Licensor shall indemnify and hold harmless the State from and against any and all claims, demands, liabilities, suits, actions, damages, losses, costs and expenses of every kind and nature whatsoever arising as a result of Licensor's failure to pay any and all amounts due by Licensor to any subcontractor, third party licensor, materialman, laborer or the like.

**11.5** All subcontractors shall be bound by any negotiation, arbitration, appeal, adjudication or settlement of any dispute between the Licensor and the Licensee, where such dispute affects the subcontract.

## **ARTICLE 12 AVAILABILITY OF FUNDS**

It is expressly understood and agreed that the obligation of MDHS to proceed under this Agreement is conditioned upon the appropriation of funds by the Mississippi State Legislature and the receipt of state and/or federal funds for the performances required under this Agreement. If the funds anticipated for the fulfillment of this Agreement are not forthcoming, or are insufficient, either through the failure of the federal government to provide funds or of the State of Mississippi to appropriate funds, or if there is a discontinuance or material alteration of the program under which funds were available to MDHS for the payments or performance due under this Agreement, MDHS shall have the right to immediately terminate this Agreement, in whole or in part, without damage, penalty, cost or expense to MDHS of any kind whatsoever, except for payment for work completed by Licensor and accepted by MDHS prior to termination. The effective date of termination shall be as specified in the notice of termination. MDHS shall have the sole right to determine whether funds are available for the payments or performances due under this Agreement.

### **ARTICLE 13 TERMINATION**

**13.1** Notwithstanding any other provision of this Agreement to the contrary, this Agreement may be terminated, in whole or in part, as follows: (a) upon the mutual, written agreement of the parties; (b) If either party fails to comply with the terms of this Agreement, the non-defaulting party may terminate the Agreement upon the giving of thirty (30) calendar days written notice unless the breach is cured within said thirty (30) day period; (c) MDHS may terminate the Agreement in whole or in part without the assessment of any penalties upon ten (10) calendar days written notice to Licensor if Licensor becomes the subject of bankruptcy, reorganization, liquidation or receivership proceedings, whether voluntary or involuntary, or (d) MDHS may terminate this Agreement in whole or in part for any reason without the assessment of any penalties after giving thirty (30) calendar days written notice specifying the effective date thereof to Licensor. The provisions of this Article 13 do not limit either party's right to pursue any other remedy available at law or in equity.

**13.2** In the event MDHS terminates this Agreement, Licensor shall receive just and equitable compensation for Services rendered by Licensor and accepted by MDHS prior to the termination. Further, upon termination of this Agreement, Licensor shall refund any and all applicable unexpended prorated annual ASP fees previously paid by Licensee.

### **ARTICLE 14 GOVERNING LAW**

This Agreement shall be construed and governed in accordance with the laws of the State of Mississippi and venue for the resolution of any dispute shall be Jackson, Hinds County, Mississippi. Licensor expressly agrees that under no circumstances shall the State be obligated to pay an attorney's fee, prejudgment interest or the cost of legal action to Licensor. Further, nothing in this Agreement shall affect any statutory rights the parties may have that cannot be waived or limited by contract.

### **ARTICLE 15 WAIVER**

Failure of either party hereto to insist upon strict compliance with any of the terms, covenants and conditions hereof shall not be deemed a waiver or relinquishment of any similar right or power hereunder at any subsequent time or of any other provision hereof, nor shall it be construed to be a modification of the terms of this Agreement. A waiver by either party, to be effective, must be in writing, must set out the specifics of what is being waived, and must be signed by an authorized representative of that party.

### **ARTICLE 16 SEVERABILITY**

If any term or provision of this Agreement is prohibited by the laws of the State of Mississippi or declared invalid or void by a court of competent jurisdiction, the remainder of this Agreement shall be valid and enforceable to the fullest extent permitted by law provided that the State's purpose for entering into this Agreement can be fully achieved by the remaining portions of the Agreement that have not been severed.

### **ARTICLE 17 CAPTIONS**

The captions or headings in this Agreement are for convenience only, and in no way define, limit

or describe the scope or intent of any provision or Article in this Agreement.

#### **ARTICLE 18 HOLD HARMLESS**

To the fullest extent allowed by law, Licensor shall indemnify, defend, save and hold harmless, protect and exonerate Licensee, ITS and the State, its Board Members, officers, employees, agents and representatives from and against any and all claims, demands, liabilities, suits, actions, damages, losses, costs and expenses of every kind and nature whatsoever, including without limitation, court costs, investigative fees and expenses, attorney fees and claims for damages arising out of or caused by Licensor and/or its partners, principals, agents, employees or subcontractors in the performance of or failure to perform this Agreement.

#### **ARTICLE 19 THIRD PARTY ACTION NOTIFICATION**

Licensor shall notify MDHS in writing within five (5) business days of Licensor filing bankruptcy, reorganization, liquidation or receivership proceedings or within five (5) business days of its receipt of notification of any action or suit being filed or any claim being made against Licensor or MDHS by any entity that may result in litigation related in any way to this Agreement and/or which may affect the Licensor's performance under this Agreement. Failure of the Licensor to provide such written notice to MDHS shall be considered a material breach of this Agreement and MDHS may, at its sole discretion, pursue its rights as set forth in the Termination Article herein and any other rights and remedies it may have at law or in equity.

#### **ARTICLE 20 AUTHORITY TO CONTRACT**

Licensor warrants that it is a validly organized business with valid authority to enter into this Agreement; that entry into and performance under this Agreement is not restricted or prohibited by any loan, security, financing, contractual or other agreement of any kind, and notwithstanding any other provision of this Agreement to the contrary, that there are no existing legal proceedings, or prospective legal proceedings, either voluntary or otherwise, which may adversely affect its ability to perform its obligations under this Agreement.

#### **ARTICLE 21 NOTICE**

Any notice required or permitted to be given under this Agreement shall be in writing and personally delivered or sent by electronic means provided that the original of such notice is sent by certified United States mail, postage prepaid, return receipt requested, or overnight courier with signed receipt, to the party to whom the notice should be given at their business address listed herein. ITS' address for notice is: Craig P. Orgeron, Ph.D., Executive Director, Mississippi Department of Information Technology Services, 3771 Eastwood Drive, Jackson, Mississippi 39211. Mississippi Department of Human Services' address for notice is: Mr. Mark Allen, CSIO, Mississippi Department of Human Services, 750 North State Street, Jackson, Mississippi 39202. The Licensor's address for notice is: **INSERT VENDOR NOTICE INFORMATION**. Notice shall be deemed given when actually received or when refused. The parties agree to promptly notify each other in writing of any change of address.

#### **ARTICLE 22 RECORD RETENTION AND ACCESS TO RECORDS**

Licensor shall establish and maintain financial records, supporting documents, statistical records and such other records as may be necessary to reflect its performance of the provisions of this

Agreement. The Licensee, ITS, any state or federal agency authorized to audit Licensee, and/or any of their duly authorized representatives, shall have unimpeded, prompt access to this Agreement and to any of the Licensor's proposals, books, documents, papers and/or records that are pertinent to this Agreement to make audits, copies, examinations, excerpts and transcriptions at the State's or Licensor's office as applicable where such records are kept during normal business hours. All records relating to this Agreement shall be retained by the Licensor for three (3) years from the date of receipt of final payment under this Agreement. However, if any litigation or other legal action, by or for the state or federal government has begun that is not completed at the end of the three (3) year period, or if an audit finding, litigation or other legal action has not been resolved at the end of the three (3) year period, the records shall be retained until resolution.

### **ARTICLE 23 INSURANCE**

Licensor represents that it will maintain workers' compensation insurance as prescribed by law which shall inure to the benefit of Licensor's personnel, as well as comprehensive general liability and employee fidelity bond insurance. Licensor will, upon request, furnish with a certificate of conformity providing the aforesaid coverage.

### **ARTICLE 24 DISPUTES**

Any dispute concerning a question of fact under this Agreement which is not disposed of by agreement of the Licensor and Licensee, shall be decided by the Executive Director of ITS or his/her designee. This decision shall be reduced to writing and a copy thereof mailed or furnished to the parties. Disagreement with such decision by either party shall not constitute a breach under the terms of this Agreement. Such disagreeing party shall be entitled to seek such other rights and remedies it may have at law or in equity.

### **ARTICLE 25 COMPLIANCE WITH LAWS**

**25.1** Licensor shall comply with, and all activities under this Agreement shall be subject to, all Licensee policies and procedures which Licensor has received copies of, and all applicable federal, state, and local laws, regulations, policies and procedures as now existing and as may be amended or modified. Specifically, but not limited to, Licensor shall not discriminate against any employee nor shall any party be subject to discrimination in the performance of this Agreement because of race, creed, color, sex, age, national origin or disability. Further, if applicable, Licensor shall comply with the provisions of the Davis-Bacon Act including, but not limited to, the wages, recordkeeping, reporting and notice requirements set forth therein.

**25.2** Licensor represents and warrants that it will comply with the state's data breach notification laws codified at Section 75-24-29 of the Mississippi Code Annotated (Supp. 2012). Further, to the extent applicable, Licensor represents and warrants that it will comply with the applicable provisions of the HIPAA Privacy Rule and Security Regulations (45 CFR Parts 160, 162 and 164) ("Privacy Rule" and "Security Regulations", individually; or "Privacy and Security Regulations", collectively); and the provisions of the Health Information Technology for Economic and Clinical Health Act, Title XIII of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5 (the "HITECH Act").

## **ARTICLE 26 CONFLICT OF INTEREST**

Licensor shall notify MDHS of any potential conflict of interest resulting from the provision of services to other customers. If such conflict cannot be resolved to MDHS' satisfaction, MDHS reserves the right to terminate this Agreement.

## **ARTICLE 27 SOVEREIGN IMMUNITY**

By entering into this Agreement with Licensor, the State of Mississippi does in no way waive its sovereign immunities or defenses as provided by law.

## **ARTICLE 28 CONFIDENTIAL INFORMATION**

**28.1** Licensor shall treat all Licensee data and information to which it has access by its performance under this Agreement as confidential and shall not disclose such data or information to a third party without specific written consent of Licensee. In the event that Licensor receives notice that a third party requests divulgence of confidential or otherwise protected information and/or has served upon it a validly issued judicial order requiring divulgence of such information, Licensor shall promptly inform Licensee and thereafter respond in conformity with such court order to the extent mandated by state and/or federal laws, rules and regulations. This Article shall survive the termination or completion of this Agreement and shall continue in full force and effect and shall be binding upon the Licensor and its agents, employees, successors, assigns, subcontractors or any party or entity claiming an interest in this Agreement on behalf of, or under the rights of the Licensor following any termination or completion of this Agreement.

**28.2** With the exception of any attached exhibits which are labeled as "confidential", the parties understand and agree that this Agreement, including any amendments and/or change orders thereto, does not constitute confidential information, and may be reproduced and distributed by the State without notification to Licensor. ITS will provide third party notice to Licensor of any requests received by ITS for any such confidential exhibits so as to allow Licensor the opportunity to protect the information by court order as outlined in ITS Public Records Procedures.

**28.3** The parties understand and agree that pursuant to §25-61-9(7) of the Mississippi Code of 1972, as amended, the contract provisions specifying the commodities purchased or the services provided; the price to be paid; and the term of this Agreement shall not be deemed confidential information.

## **ARTICLE 29 EFFECT OF SIGNATURE**

Each person signing this Agreement represents that he or she has read the Agreement in its entirety, understands its terms, is duly authorized to execute this Agreement on behalf of the parties and agrees to be bound by the terms contained herein. Accordingly, this Agreement shall not be construed or interpreted in favor of or against the State or the Licensor on the basis of draftsmanship or preparation hereof.

## **ARTICLE 30 OWNERSHIP OF DOCUMENTS AND WORK PRODUCTS**

All Content collected by the Software shall be the property of Licensee. Licensor may use the Content only in the performance of this Agreement, unless otherwise agreed upon between the

parties. Licensee acknowledges that the Products shall remain the exclusive property of Licensor and are excluded from this Article.

### **ARTICLE 31 NON-SOLICITATION OF EMPLOYEES**

Licensor agrees not to employ or to solicit for employment, directly or indirectly, any of MDHS' employees until at least one (1) year after the expiration/termination of this Agreement unless mutually agreed to the contrary in writing by MDHS and the Licensor and provided that such an agreement between these two entities is not a violation of the laws of the State of Mississippi or the federal government.

### **ARTICLE 32 ENTIRE AGREEMENT**

**32.1** This contract constitutes the entire agreement of the parties with respect to the subject matter contained herein and supersedes and replaces any and all prior negotiations, understandings and agreements, written or oral, between the parties relating thereto, including all terms of any "shrink-wrap", "click-wrap" or "browse-wrap" license of the Software. The RFP No. 3837, and Licensor's Proposal, as accepted by the State, in response thereto are hereby incorporated into and made a part of this Agreement.

**32.2** The contract made by and between the parties hereto shall consist of, and precedence is hereby established by the order of the following:

- A.** This Agreement signed by the parties hereto;
- B.** Any exhibits attached to this Agreement;
- C.** RFP No. 3837 and written addenda, and
- D.** Licensor's Proposal, as accepted by the State, in response to RFP No.3837.

**32.3** The intent of the above listed documents is to include all items necessary for the proper execution and completion of the services by the Licensor. The documents are complementary, and what is required by one shall be binding as if required by all. A higher order document shall supersede a lower order document to the extent necessary to resolve any conflict or inconsistency arising under the various provisions thereof; provided, however, that in the event an issue is addressed in one of the above mentioned documents but is not addressed in another of such documents, no conflict or inconsistency shall be deemed to occur by reason thereof. The documents listed above are shown in descending order of priority, that is, the highest document begins with the first listed document ("A. This Agreement") and the lowest document is listed last ("D. Licensor's Proposal").

### **ARTICLE 33 STATE PROPERTY**

Licensor shall be responsible for the proper custody of any Licensee-owned property furnished for Licensor's use in connection with Services performed pursuant to this Agreement. Licensor shall reimburse the Licensee for any loss or damage, normal wear and tear excepted.

### **ARTICLE 34 SURVIVAL**

Articles 7, 14, 18, 22, 27, 28, 30, 31, and all other articles which, by their express terms so survive or which should so reasonably survive, shall survive any termination or expiration of this

Agreement.

### **ARTICLE 35 DEBARMENT AND SUSPENSION CERTIFICATION**

Licensor certifies that neither it nor its principals: (a) are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any federal department or agency; (b) have, within a three (3) year period preceding this Agreement, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; (c) are presently indicted of or otherwise criminally or civilly charged by a governmental entity with the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property, and (d) have, within a three (3) year period preceding this Agreement, had one or more public transaction (federal, state or local) terminated for cause or default.

### **ARTICLE 36 SPECIAL TERMS AND CONDITIONS**

It is understood and agreed by the parties to this Agreement that there are no special terms and conditions except as specifically provided in this Agreement.

### **ARTICLE 37 STATUTORY AUTHORITY**

By virtue of Section 25-53-21 of the Mississippi Code Annotated, as amended, the executive director of ITS is the purchasing and contracting agent for the State of Mississippi in the negotiation and execution of all contracts for the acquisition of information technology equipment, software and services. The parties understand and agree that ITS as contracting agent is not responsible or liable for the performance or non-performance of any of the Licensee's or Licensor's contractual obligations, financial or otherwise, contained within this Agreement. The parties further acknowledge that ITS is not responsible for ensuring compliance with any guidelines, conditions, or requirements mandated by Licensee's funding source.

### **ARTICLE 38 COMPLIANCE WITH ENTERPRISE SECURITY POLICY**

Licensor and Licensee understand and agree that all products and services provided by Licensor under this Agreement must be and remain in compliance with the State of Mississippi's Enterprise Security Policy. The parties understand and agree that the State's Enterprise Security Policy is based on industry-standard best practices, policy, and guidelines at the time of contract execution. The State reserves the right to introduce a new policy during the term of this Agreement and require the Licensor to comply with same in the event the industry introduces more secure, robust solutions or practices that facilitate a more secure posture for the State of Mississippi.

### **ARTICLE 39 SOFTWARE SUPPORT AND MAINTENANCE**

**39.1** As part of the Software support and maintenance services, Licensor will maintain the

Products in an operable condition according to the specifications contained in the technical manuals and as outlined in RFP No. 3837 and the Licensor's Proposal in response thereto. Licensor shall provide Licensee with Enhancements to the Software as they are made generally available from time to time. Notwithstanding any other provisions of this Agreement, Licensor shall provide support only with respect to the then-current generally available version of the Software.

**39.2** Licensor shall also provide unlimited email and toll-free telephone technical support in the operation of the Software Products twenty-four (24) hours a day, seven (7) days a week. Licensor shall respond by telephone within one (1) hour to requests for support services. Licensee shall be given priority placement in the support queue for all system locking situations or problems claimed by Licensee to be a mission critical process. Upon receipt of Licensee's call, Licensor will (a) create an error report, (b) assign a severity level and (c) attempt to resolve the Software problem in accordance with the procedures and processes for problem resolution detailed below. It is understood by the parties that the Licensee and Licensor must mutually agree on whether an error is classified as a Severity Level 1, 2, or 3 error.

**39.3** Severity Level 1 implies that the Software is not functioning. Some examples of Severity Level 1 Software problems are as follows: (a) Software is down and will not restart; (b) Software is not able to communicate with external systems; and (c) Software is generating a data corruption condition. Licensor shall resolve Severity Level 1 Software Errors within one (1) business day, or within a mutually agreed upon time frame. When a Severity Level 1 Software Error is reported, Licensor will assign resources necessary to correct the Software Error. If access to the Software is required, Licensee will provide a contact available to Licensor and access to Licensee's system and other software for the duration of the error correction procedures.

**39.4** Severity Level 2 implies that (a) an essential function does not work as documented, or (b) testing and usage can continue but the task cannot be completed, and no workarounds exist. Licensor shall assign at least one (1) dedicated person to the problem and shall resolve Severity Level 2 Software Errors within two (2) business days, or within a mutually agreed upon time frame.

**39.5** Severity Level 3 implies a Software Error such that implementations of function do not match specification and/or technical Documentation, and a workaround may exist. Licensor shall resolve Severity Level 3 Software Errors within ten (10) business days, or within a mutually agreed upon time frame.

#### **ARTICLE 40 FORCE MAJEURE**

Each party shall be excused from performance for any period and to the extent that it is prevented from performing any obligation or service, in whole or in part, as a result of causes beyond the reasonable control and without the fault or negligence of such party and/or its subcontractors. Such acts shall include without limitation acts of God, strikes, lockouts, riots, acts of war or terrorism, epidemics, governmental regulations superimposed after the fact, fire, earthquakes, floods, or other natural disasters (the "Force Majeure Events"). When such a cause



arises, the Licensor shall notify the Licensee immediately in writing of the cause of its inability to perform; how it affects its performance, and the anticipated duration of the inability to perform. Delays in delivery or in meeting completion dates due to Force Majeure Events shall automatically extend such dates for a period equal to the duration of the delay caused by such events, unless the State determines it to be in its best interest to terminate this Agreement.

**ARTICLE 41 TRANSPARENCY**

In accordance with the Mississippi Accountability and Transparency Act of 2008, §27-104-151, et seq., of the Mississippi Code of 1972, as Amended, the American Accountability and Transparency Act of 2009 (P.L. 111-5), where applicable, and §31-7-13 of the Mississippi Code of 1972, as amended, where applicable, a fully executed copy of this Agreement and any subsequent amendments and change orders shall be posted to the State of Mississippi’s accountability website at: <https://www.transparency.mississippi.gov>. Prior to ITS posting the Agreement and any subsequent amendments and change orders to the website, any attached exhibits which contain trade secrets or other proprietary information and are labeled as “confidential” will be redacted by ITS. Notwithstanding the preceding, however, it is understood and agreed that pursuant to §25-61-9(7) of the Mississippi Code of 1972, as amended, the contract provisions specifying the commodities purchased or the services provided; the price to be paid; and the term of this Agreement shall not be deemed a trade secret or confidential commercial or financial information and shall thus not be redacted.

For the faithful performance of the terms of this Agreement, the parties hereto have caused this Agreement to be executed by their undersigned authorized representatives.

**State of Mississippi, Department of  
Information Technology Services, on behalf  
of Mississippi Department of Human  
Services**

**INSERT VENDOR NAME**

By: \_\_\_\_\_  
**Authorized Signature**

By: \_\_\_\_\_  
**Authorized Signature**

**Printed Name: Craig P. Orgeron, Ph.D.**

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

**Title: Executive Director**

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

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

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

**EXHIBIT A**  
**PAYMENT SCHEDULE**

## **EXHIBIT B**

### **CONTRACT LANGUAGE FOR GENERAL SERVICES**

#### **I. PERFORMANCE**

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

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

safeguards described above.

(10) (Include any additional safeguards that may be appropriate.)

## **II. CRIMINAL/CIVIL SANCTIONS:**

(1) Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000.00 or imprisonment for as long as five (5) years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000.00 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

(2) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this Agreement. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the Agreement. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000.00 or imprisonment for as long as one (1) year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee (United States for Federal employees) in an amount equal to the sum of the greater of \$1,000.00 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC section 7213A and 7431.

(3) Additionally, it is incumbent upon the Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.00.

(4) Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, contractors should be advised of the provisions of IRC Sections 7431, 7213, and 7213A (see Exhibit 6, IRC Sec. 7431 Civil Damages for Unauthorized Disclosure of Returns and Return Information and Exhibit 5, IRC Sec. 7213 Unauthorized Disclosure of Information). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For both the initial certification and the annual certification, the Contractor should sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

### **III. INSPECTION:**

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

## Exhibit C

### **SAFEGUARDING AND REPORTING RESPONSIBILITIES FOR PERSONALLY IDENTIFIABLE INFORMATION (PII)**

1. Contractor will ensure that its employees, contractors, and agents:
  - a. properly safeguard PII furnished by SSA from loss, theft or inadvertent disclosure;
  - b. understand that they are responsible for safeguarding this information at all times, regardless of whether or not they are at their regular duty station;
  - c. ensure that laptops and other electronic devices/media containing PII are encrypted and/or password protected;
  - d. send emails containing PII only if encrypted or if to and from addresses that are secure; and
  - e. limit disclosure of the information and details relating to a PII loss only to those with a need to know.
  
2. If an employee or contractor of the Contractor becomes aware of suspected or actual loss of PII, he or she must immediately contact the Customer official responsible for Systems Security. That Customer official or delegate must then notify the SSA Regional Office Contact and the SSA Systems Security Contact. If, for any reason, the responsible Customer official or delegate is unable to notify the SSA Regional Office or the SSA Systems Security Contact within 1 hour, the responsible Customer official or delegate must report the incident by contacting SSA's National Network Service Center (NNSC) at 1-877-697-4889. The responsible Customer official or delegate must provide to SSA timely updates as any additional information about the loss of PII becomes available.
  
3. SSA will make the necessary contact within SSA to file a formal report in accordance with SSA procedures. SSA will notify the Department of Homeland Security's United States Computer Emergency Readiness Team if loss or potential loss of PII related to a data exchange occurs.
  
4. If the Customer experiences a loss or breach of data, it will determine whether or not to provide notice to individuals whose data has been lost or breached and bear any costs associated with the notice or any mitigation.

**EXHIBIT B  
WPN 13-5**



**Department of Energy**  
Washington, DC 20585

**WEATHERIZATION PROGRAM NOTICE 13-5  
EFFECTIVE DATE: September 23, 2013**

**SUBJECT: REVISED ENERGY AUDIT APPROVAL PROCEDURES AND  
OTHER RELATED AUDIT ISSUES**

**PURPOSE:** To establish energy audit approval criteria used by the U.S. Department of Energy (DOE) to determine compliance with rule 10 CFR Part 440; to establish procedures by which Grantees can submit energy audits and lists of general heat waste reduction measures to DOE for approval every five years pursuant to 10 CFR Part 440.21(i), to establish requirements for switching energy audit tools; and to establish requirements for DOE access to web-based energy auditing tools.

**SCOPE:** The provisions of this guidance apply to all Grantees applying for financial assistance under DOE's Weatherization Assistance Program (WAP).

**LEGAL AUTHORITY:** Title IV, Energy Conservation and Production Act, as amended, authorizes DOE to administer the WAP (42 U.S.C. § 6861, *et. seq.*). All grant awards made under this Program shall comply with applicable law and regulations including the WAP regulations contained in 10 CFR Part 440. The final rule, published in Interim Final Rule December 8, 2000, established the minimum criteria for an energy audit used in the Program.

**BACKGROUND:** In Attachment 1 of this Weatherization Program Notice (WPN), DOE describes the information Grantees must submit and establishes the evaluation criteria used to approve energy audit procedures. In Attachment 2 of this WPN, DOE describes what information the Grantee must submit if it chooses to use a priority list, and sets forth the evaluation criteria DOE will use to approve priority lists for the WAP. Attachment 3 provides details of approved audits and shows the building types for which each of the

audit tools is currently applicable.

WPN 13-05 supersedes WPN 93-8, WPN 99-5, and WPN 01-4. Additional energy audit topics are also discussed in this notice, including installation of cost-effective measures, fuel switching, electric base load measures, and the use of WAP funds for renewable energy systems.



**PROCEDURES:** Grantees shall submit the required energy audit information and required priority list information to their DOE Project Officer (PO) if the Grantee elects to use priority lists rather than site specific audits for WAP service delivery. The PO will be responsible for reviewing the submittal to ensure that all the information has been submitted prior to extensive review.

DOE will review Grantee audit procedures for compliance with the applicable regulations based on a two-tier approval process.

- The first tier is a fast-track review where the Grantee proposes to use an already-DOE-approved audit tool designed to calculate the required Savings-to-Investment ratios (see below). In the case where the submittal package contains all of the information required and fulfills the review requirements, the application will be processed within 30 days of official acknowledgement of receipt by DOE. Upon approval, the Grantee audit procedures will require no further review for a five-year period unless significant changes are made to the audit protocol by the Grantee.

Special note: If the audit submittal package is lacking sufficient information for an adequate review or the audit procedures are not in compliance with the regulations, or includes use of an audit tool that was not previously approved by WAP, the audit will receive further review under the second tier of the approval process.

- The second-tier review will be handled on a case-by-case basis. DOE will work with Grantees under the second tier review to assist them in gaining approval. DOE assistance will begin with the PO informing the Grantee specifically what is required to gain audit approval. This approach is more time consuming and can delay operations at the Grantee level while the audit is under review.

It is anticipated that many Grantees will want to use one or more of the following audit tools previously approved by DOE as part of its audit procedures. Additional details related to these audits can be found in Attachment 3:

DOE-Sponsored Audit Tools that meet WAP Requirements (*as of May 2013*):

- National Energy Audit (NEAT) – single family, small multifamily (conditional)
- Manufactured Home Energy Audit (MHEA) – manufactured housing

Commercially Available Audit Tools that meet WAP Requirements (*as of May 2013*):

- Energy Audit using the Queens Information Package (EA-QUIP) – small and large multifamily
- REM audit software (single family, manufactured housing, small and large multi-family)

- Targeted Retrofit Energy Analysis Tool (TREAT) – single family, manufactured housing, small and large multi-family
- Hancock Energy Audit Tool (HEAT) – single family
- Quick Energy Simulation Tool (eQUEST) – small and large multifamily (output must be modified to meet DOE and WAP requirements)

Grantees requesting DOE approval to use tools listed above are not required to submit a description of the energy estimating methodology, measure interaction, or cost-effectiveness requirements listed in Attachment 1. However, DOE reviews not only how the energy audit tool is used to estimate energy use and potential weatherization savings, but also how a Grantee implements their energy audit procedures. Therefore, Grantees requesting approval to use NEAT, MHEA, EA-QUIP, HEAT, REM, TREAT, and eQUEST still must list the measures that are typically enabled and provide the input data, assumptions, and audit results (recommended measures) for at least ten sample dwelling units from a sampling of Subgrantees. These audits must be typical of those weatherized by the Grantee's program representing climate zones throughout the state. All of the information on field procedures and administrative requirements described in Attachment 1 must be provided with these requests.

Some Grantees may want to use internally-developed energy audit tools, tools developed by other Grantees or other commercially available energy audit tools. Grantees are reminded that all audit procedures using tools that have been developed or modified since DOE's last approval of the specific tool, even including the tools listed above, require a full submittal for DOE approval and that this will require a more in-depth second-tier review. As other DOE-sponsored or commercially-available energy audit tools are approved, DOE will issue a list of all approved software that carries the same reduced submittal requirements.

As a reference for Grantees that might be considering development of their own audit tools, Attachment 4 includes the Grantee-developed tools that are currently approved for specific Grantees.

Except for the cost of materials needed to eliminate health and safety hazards existing before or because of the installation of weatherization materials, all weatherization measures must be "cost effective" as defined by DOE. "Cost effective" means that each measure and package of measures installed in a dwelling unit must have a savings-to-investment ratio (SIR) which meets or exceeds 1.0.

While the audit approval by DOE ensures compliance with the regulations, on-going monitoring is required to ensure that the energy audit tools continue to determine cost-effective weatherization measures. This requirement is especially important when Grantees elect to use web-based energy auditing software approved by DOE or when the software is modified without DOE vetting it or its accuracy. DOE will require access to all Grantees' web-based auditing software throughout the duration of the grant. As of April 2013, HEAT and EA-QUIP are the only web-based pieces of software nationally used, but others are anticipated to move to web-based applications in the future.

If a Grantee wants to revise or change their auditing tool during the five-year validity period of the DOE approval, then it must request DOE's approval to do so and provide sufficient information in accordance with Attachment 1. Until the request is approved, the Grantee must continue to use its currently approved audit procedures.

#### **OTHER ENERGY AUDIT-RELATED ISSUES:**

**MEASURE SKIPPING:** By rule and policy, energy audits are required to use the interactive procedures to determine the optimum set of cost-effective measures and to prioritize those energy saving measures in order of cost-effectiveness. This guidance is designed to provide Grantees with enough information to develop energy audits that comply with requirements.

Once approved, all of the prioritized weatherization measures from the audit that meet the SIR ratio requirement must be installed in the unit in the order of cost-effectiveness. Deviating from the audit prioritized list of measures would be in conflict with the intent of the rules. Frequently Asked Questions (FAQs) concerning measure skipping will be posted on the WAPTAC and EERE websites.

**PRIORITY LIST:** Priority lists are based on specific parameters and many of these, like energy costs and labor and material costs, change with time. DOE will be reviewing priority lists during the monitoring process to ensure the measures that were prioritized in the approved priority lists continue to be installed in the proper order. Grantees are advised to annually, at a minimum, evaluate energy costs, measure implementation costs, technological advancements and other issues that affect best weatherization practices in order to ensure the approved priority lists remain cost effective and appropriate for the weatherization process. Grantees may submit to DOE a request to alter their priority lists based on adjusted calculations. These requests are generally processed within a week of acknowledgement of receipt, if all required materials are included in the submission. This action does not "restart" the five year cycle, but merely adjusts the priorities.

**FUEL SWITCHING:** WAP does not permit the general practice of non-renewable fuel switching when replacing furnaces/appliances. However, DOE does allow the changing or converting of a furnace/appliance using one fuel source to another on a limited, case-by-case basis. These approvals will only be granted when all related costs demonstrate the effectiveness of the fuel switch over the life of the measure. DOE will not approve priority lists containing this measure. Only a site-specific energy audit meeting the submittal requirements and approved by DOE would be considered allowable to evaluate these measures.

**ELECTRIC BASE LOAD:** Typically, addressing the heating and/or cooling costs of a dwelling unit, accounts for only about half of that home's energy expenditures. DOE allows the addition of cost-effective electric base load measures to give Weatherization Grantees greater flexibility to help low-income households reduce their energy costs and to partner with sources of leveraged funds.

**USE OF WEATHERIZATION FUNDS FOR RENEWABLE ENERGY SYSTEMS:**

Assistance under the WAP may be provided for renewable energy systems. 10 CFR Part 440.18 (Allowable Expenditures) incorporates the renewable energy system provisions and specifies a ceiling of \$3,000, with annual escalations, per dwelling for labor, weatherization materials, and related matters.

10 CFR Part 440.21(c)(1) specifies performance and quality standards criteria for renewable energy systems. Paragraph (c)(2) establishes a procedure for submission and action on petitions by manufacturers requesting the Secretary of Energy to certify a new technology or system as an eligible renewable energy system.

**CONCLUSION:** The WAP continues to make progress in a number of areas and updating our audit processes is just one of the components necessary to ensure quality work is being performed throughout the Program. The Department of Energy appreciates your many contributions that continue to make Weatherization Work!



AnnaMaria Garcia  
Program Director  
Weatherization and Intergovernmental Program  
Energy Efficiency and Renewable Energy

Enc: Attachments

## **ATTACHMENT 1 ENERGY AUDIT SUBMITTAL REQUIREMENTS**

### **OVERVIEW**

The Department of Energy (DOE) is responsible for ensuring that only cost-effective weatherization measures are installed with DOE funds. Each Grantee must use energy audit tools and procedures to ensure cost effectiveness of the Weatherization Assistance Program (WAP) while treating each weatherized building as a whole system.

Energy audit requirements for the WAP are described in the regulations governing the Program (10 CFR Part 440.21). Important details for intent are included in the Preamble to the December 8, 2000, Interim Final Rule. These energy audit requirements can be grouped into three functional categories: analytic methods, field procedures, and administrative requirements.

The term “manufactured housing” is used throughout this guidance, replacing the term “mobile home”. Manufactured housing includes mobile homes and any housing built off-site that includes axles or a frame as a major design consideration for transport on public roads (e.g. light weight).

### **DESCRIPTION OF SUBMITTAL REQUIREMENTS**

The information that Grantees must submit for each energy audit requirement is described below:

#### **Analytic Methods**

*Energy Estimating Methodology:* Describe the methodology used by the energy audit software to estimate annual energy use of the dwelling unit and the potential energy savings from weatherization retrofits. The description must provide sufficient detail for DOE to determine the engineering soundness of the technical approach. The Grantee may provide this description narratively or reference the appropriate sections of a users’ manual for the energy audit software or other technical support documents. Whether described narratively or referenced from another document, the Grantee’s submittal must answer the following questions:

- What energy estimating method is used (e.g., modified degree-day, variable base degree day, ASHRAE bin, ASHRAE modified bin, PRISM)?
- What format of climatic data is used (e.g., degree-day, bin, or hourly data)? If degree-day weather data is used, what base temperature is used and why? Which weather data sites are used by different Subgrantees in the Grantee territory?
- Are existing energy use and energy requirements of the dwelling unit determined from actual energy bills, by generally accepted engineering calculations or, optionally, both?

- Does the energy audit address all significant heating and cooling needs?
- How are conductive, convective, and radiative heat losses (or gains) estimated?
- How does the energy estimating method treat sensible and latent heat gains from internal sources?
- How is the energy consumption of heating and cooling equipment estimated (e.g., steady-state efficiency, part-load curve) during the audit for pre- and post-weatherization?
- How are blower door readings and the results of other tests (e.g., duct leakage) used by the energy estimating method?
- Does the energy audit software address domestic hot water and/or household appliance measures? If so, how is the energy estimated for these end uses?
- Are estimated fuel/energy cost savings discounted to net present value?
- For multifamily audits what internal verification feature, such as trueing-up the model with actual energy consumption, does the audit use to validate each audit, or how does the Grantee otherwise ensure that the building is properly modeled?

*As discussed previously, Grantees requesting DOE approval to use NEAT, MHEA, EA-QUIP, HEAT, REM, TREAT and eQUEST are not required to describe the energy estimating methodology.*

*Measure Interaction:* Grantees must provide the following information to satisfy this requirement:

- Describe how the energy audit tool accounts for the interaction between architectural (e.g., insulation, air sealing) and mechanical (e.g., furnace replacement, programmable thermostat) measures.
- Provide audit results of a sample dwelling unit to document that, when moving from an architectural to a mechanical measure (or vice versa), the energy audit tool adjusts the estimated fuel cost savings of measures with lower, non-interacted savings-to-investment ratios (SIRs). The sample audit results must show the interacted and non-interacted energy savings and SIR for at least one architectural or mechanical measure. This will require a recommended measures list that includes at least one architectural and one mechanical measure. Provide a statement that the energy audit procedures will eliminate from consideration for installation any measure that has an interaction-adjusted SIR of less than one.

*As discussed previously, Grantees requesting DOE approval to use NEAT, MHEA, EA-QUIP, HEAT, REM, TREAT and eQUEST audit tools are not required to describe how the audit accounts for the interaction between measures.*

*Cost-effectiveness Requirements:* Describe how SIRs are calculated for all individual weatherization measures and for the overall package of measures installed in a dwelling unit. Include a description of how user defined measures will be allowed, including who will be allowed to develop, procedures, and Grantee monitoring of the cost effective use of user defined weatherization measures. List the costs included in

the denominator of individual and overall SIR calculations, including at minimum the cost of materials, labor and on-site supervision.

Explain how the cost of air sealing, as an energy saving measure, is included in the SIR for the package of weatherization measures. Air sealing (i.e., the air sealing measure that uses materials referenced in the Appendix A air sealing category) is the exclusive energy conservation measure that is not required to show a post-weatherization individual SIR of 1.0 or greater. The package of weatherization measures, including costs and projected savings for air sealing, must have a post-weatherization SIR of 1.0 or greater.

Describe how all incidental repair costs are included in the cost of the overall package of weatherization measures and the overall SIR (See WPN 12-9 for more details).

*As discussed previously, Grantees requesting DOE approval to use NEAT, MHEA, EA-QUIP, HEAT, REM and TREAT are not required to show how individual and overall SIRs are calculated. However, Grantees requesting approval of eQUEST are required to show how individual and overall SIRs are calculated because that function is not built into the standard eQUEST software. As other energy audit tools are approved, a list of audits that have reduced submittal requirements will be periodically issued by DOE.*

**Measures Considered:** Provide a list of the weatherization measures that the Grantee typically "enables" for the energy audit tool to evaluate. Include material and labor costs for these measures from a Subgrantee considered to be representative of statewide conditions. Provide the expected lifetime of each measure that is used in the SIR calculation.

**Sample Audits:** Provide all input data, assumptions, and audit results (recommended measures) for ten sample dwelling units of each major type of structure (e.g., single family, manufactured housing and multifamily building) typical of those weatherized by the Grantee's program. Completed field data collection forms, including any auditor notes, must be provided for the sample dwelling units, as well as printouts of the data entered into the energy audit software. The recommended measures reports from the audit tool must show the measure cost, first-year savings, SIR for each measure, as well as total job cost and overall SIR. The report must also include a line item for incidental repair costs per WPN 12-9 Incidental Repair Measures Guidance.

## **Field Procedures**

**Audit Procedures and Field Protocols:** Describe in detail the energy audit procedures used by the Grantee. A copy of the auditor's or field operations manual, field guide, technical standards, Standard Work Specifications for Home Energy Upgrades, installation guidelines, and/or monitoring protocols may be provided to satisfy this requirement. Procedures required for each major building type served must be provided. The information provided must be sufficient to answer the following questions:

- How do different audit findings affect the auditor's actions and recommendations?
- What advanced diagnostic and assessment techniques are routinely used by the auditor and/or crew?
- What client education is routinely provided by the auditor? By the installation crew?
- Are the audit and installation procedures specifically tailored for the building type being investigated in light of the varying energy audit requirements of single-family dwellings, multifamily buildings, and manufactured housing?

*Weatherization Materials Installed:* Provide a statement acknowledging that only weatherization materials that meet or exceed the standards listed in Appendix A will be installed in eligible dwelling units. This statement must be provided for each major building type (e.g., single family, manufactured housing, and multifamily). Include any weatherization materials not in Appendix A that have been approved for use by the Grantee per 10 CFR 440.21(b).

Ancillary materials, incidental repair materials, as well as health and safety materials, as defined in WPN 12-9 are not “weatherization materials”, therefore are not required to be listed in Appendix A.

*General Heat Waste Reduction Lists:* Grantees may install general heat waste (GHW) reduction weatherization materials in eligible dwellings that DOE has determined to be generally cost effective, without the need for justification in a site-specific energy audit. GHW reduction materials are intended to be relatively low-cost items that can be quickly and easily installed. Total GHW measure costs (including labor) must not exceed \$250. These DOE-approved, presumptively cost-effective weatherization materials include:

- Water heater wrap (i.e., insulating blanket);
- Water heater pipe insulation (on first six feet of hot water pipe exiting water heater);
- Faucet aerators;
- Low-flow showerheads;
- Limited weatherstripping and caulking to increase comfort (does not include major air sealing work, which should be guided by blower door testing); and
- Furnace or air conditioner filters.

Grantees are required to establish procedures to guide the installation of GHW materials and make crews aware of the circumstances that can reduce the cost-effectiveness of these measures. A recommended limit on the estimated installed costs for a GHW material may be useful as a guide to cost-effectiveness.

Grantees may request approval to use GHW materials not listed above by providing documentation of their cost-effectiveness from a representative number of site-specific energy audits or sample energy calculations. DOE will also accept reputable analytic reports or published articles that are generally accepted by the weatherization community to document the cost-effectiveness of potential GHW materials. A GHW material



approval request may be submitted at any time but may not be within the State Plan, Annual Application submittal. Previously approved Grantee specific GHW materials must be listed in the Audit Approval request.

*Health and Safety:* During the audit approval process, DOE will review the health and safety plan located in the master file of a Grantee's application. The Grantee must provide a description of how the health and safety plan is implemented in the field. The Grantee may reference the appropriate section(s) of the auditor's or field operations manual, field guide, technical standards, Standard Work Specifications for Home Energy Upgrades, installation guidelines, and/or monitoring protocols to satisfy this requirement. Each major dwelling type must be addressed as applicable.

### **Administrative Requirements**

*Energy Audit Procedures Required for Each Building Type Served:* 10 CFR Part 440.21(f)(7) requires the Grantee to use DOE-approved energy audit procedures that are specifically tailored to each major dwelling type that represents a significant portion of the Grantee's weatherization program.

This requirement recognizes the varying energy audit requirements of different dwelling types including single-family dwellings, multifamily buildings, and manufactured housing. DOE requires energy audit procedures to be approved specifically for use on single-family dwellings and manufactured housing. For multifamily buildings, DOE defines "a significant portion of the Grantee's weatherization program" as 20 percent or more of the total units weatherized in the state each year. For Grantees that fall below the 20 percent threshold, individual buildings may be weatherized even if a Grantee chooses not to obtain a Grantee-specific approved audit for multifamily buildings. However, the audit and assessment procedures must be appropriate to the dwelling type, and each audit and all supporting documentation must be submitted to the DOE Project Officer for pre-approval. A DOE-approved audit tool for multifamily buildings must be used to calculate cost effectiveness.

For energy audit purposes, DOE considers multifamily buildings to be those containing five dwelling units or more. Several single-family energy audits can be used in buildings with one to four dwelling units as well as in small multifamily buildings with 25 dwellings or fewer per building when the dwelling units are individually heated and/or cooled. However, single family approval of a tool does *NOT* constitute approval to use this tool in small multifamily buildings. Grantees must go through the approval process demonstrating how the tool is being used and the procedures the Grantee requires Subgrantees to follow prior to using an approved single family tool for small multifamily buildings.

*Re-Approval Every Five Years:* Grantees must submit their energy audit procedures to DOE for re-approval every five years. Grantees must also submit to DOE for re-approval every five years those GHW materials that are in addition to the pre-approved GHW materials listed above, if applicable.

Grantees are reminded that Subgrantees should update annually (or more often) the measure costs and fuel prices that the energy audit software or manual methods use to estimate cost-effectiveness. This annual update does not require the audit or priority list(s) to be re-approved more often than every five years. However, significant changes in measure costs or fuel prices affect the selection and order of measures. As part of its monitoring responsibilities, DOE may request, from a Grantee or a Subgrantee, its current measure costs and fuel prices in order to compare them to the measure costs and fuel prices in the Grantee's approved audit submittal.

*Other Administrative Requirements:* If a Grantee adopts an updated version of DOE-approved single-family, multifamily, or manufactured housing energy audit software, the Grantee must submit to DOE the name and version of the updated software. DOE will contact the software developer to determine what changes have been made. If the energy estimating methods remain essentially unchanged (or have been improved) and the software still complies with program regulations, DOE will approve its use.

## **ATTACHMENT 2 PRIORITY LIST SUBMITTAL REQUIREMENTS**

### **OVERVIEW**

The Department of Energy (DOE) is responsible for ensuring that only cost-effective weatherization measures are installed with DOE funds. Each Grantee must use advanced energy audit procedures to ensure cost effectiveness of the Weatherization Assistance Program (WAP) while treating each weatherized building as a whole system.

Energy audit requirements for the WAP are described in the regulations governing the Program (10 CFR Part 440.21). Priority List(s) are secondary to a Grantees' Energy Audit Submittal. Submittal requirements for priority lists cannot be approved until Energy Audit Submittal Requirements are satisfied (for the particular housing type and audit tool). For example, if a Grantee wishes to use a priority list(s) for single-family homes and is approved to utilize NEAT, the priority list(s) for single-family homes must be developed through currently approved NEAT-generated audits (See Attachment 1 for Energy Audit Submittal Requirements).

Grantees must describe how each priority list was developed, the housing characteristics of the dwellings that each priority list applies to, how the subset of similar homes was determined, and the circumstances that will require site-specific audits rather than the use of the priority lists.

### **DESCRIPTION OF SUBMITTAL REQUIREMENTS**

The information that Grantees must submit for each priority list is described below:

*Priority List Development:* Provide all input data, assumptions, and audit results (recommended measures) for dwelling units. Completed field data collection forms, including any auditor notes, must be provided for the sample dwelling units, as well as printouts of the data entered into the energy audit tool. The recommended measures reports from the audit tool must show the measure cost, first-year savings, and SIR for each measure, as well as total job cost and overall SIR.

Provide a list of the weatherization measures that the Grantee enables for the energy audit tool to evaluate. Include material and labor costs for these measures and provide the expected lifetime of each measure that is used in the SIR calculation.

Provide fuel prices used in developing the priority lists. Evaluate historical fuel prices to determine what minimum fuel price should be used to ensure that weatherization measures are always cost-effective. Describe the circumstances to DOE when fuel price changes invalidate the submitted priority list.

*Subset of Similar Homes:* Grantees that want to use a priority list must review eligible housing stock to determine which building characteristics dictate the selection and order of recommended weatherization measures. As a result of this review, Grantees may find for example that the list of recommended measures for a typical one-story ranch is different than the list for a one-and-a-half-story Cape Cod house.

The number of sample audits required to support the proposed priority lists depends on how clearly the Grantee defines the set of similar dwelling units for the priority list(s). For example, if the Grantee intends to use one priority list for single-family dwellings where there is significant difference in housing stock, climatic conditions, fuel choices, heating/cooling equipment choices, or measure costs, substantial audits are required to ensure measures are properly ranked.

Measures in each sample audit must be prioritized from the highest to lowest measure SIR, and the overall SIR must be at least 1.0. The variability between buildings in a similar set tends to decrease as the set of dwellings is more and more clearly defined (and the number of sets increases).

*Circumstances where the priority list does not apply and when a site-specific audit is required:* If an auditor determines by inspection that a measure should be considered for a dwelling, and that measure is not on the approved priority list for that building type, the appropriate, approved, site-specific energy audit must be conducted.

*Incidental Repair Costs:* A cost limit for incidental repairs (WPN 12-9) must be established for each priority list. This cost limit must be developed during priority list development and must be consistent with the total job, including all incidental repairs, having an SIR of at least 1.0. The sample audits required to support the proposed priority list(s) must include costs for typically anticipated Incidental Repair Measures (IRM) in order to justify a maximum per unit cost limit for IRM for each priority list.

If an auditor determines by inspection that incidental repair measures should be considered for a dwelling that have a cost greater than the limit for the priority list, the appropriate approved computerized site-specific energy audit must be conducted.

## ATTACHMENT 3 NATIONALLY-APPROVED ENERGY AUDITS FOR WAP

	<b>Single Family (1-4 units)</b>	<b>Small Multifamily (5-25 units, each unit separately heated/cooled)</b>	<b>Large Multifamily (26+ units)</b>	<b>Manufactured Housing</b>
<b>REM</b>	Developer: Architectural Energy Corporation, Boulder, CO			
	YES	YES	YES	YES
<b>Weatherization Assistant (NEAT and MHEA)</b>	Developer: Oak Ridge National Laboratory (ORNL), Oak Ridge, TN			
	NEAT approved	NEAT approved only for buildings with individually heated and cooled dwelling units	NO	MHEA approved
<b>TREAT</b>	Developer: Performance Systems Development (PSD), Ithaca, NY			
	YES	YES	YES	YES
<b>EA-QUIP</b>	Developer: Association for Energy Affordability, New York, NY			
	YES	YES	YES	NO
<b>HEAT</b>	Developer: Hancock Software, Inc., Framingham, MA			
	YES	NO	NO	NO
<b>eQUEST</b>	Developer: Lawrence Berkeley National Laboratory, Berkeley, CA			
	NO	YES	YES	NO

## ATTACHMENT 4 GRANTEE-DEVELOPED ENERGY AUDITS FOR WAP

	Single Family (1-4 units)	Small Multifamily (5-25 units, each unit separately heated/cooled)	Large Multifamily (26+ units)	Manufactured Housing
<b>AKWarm</b>	Approved by DOE for use in Alaska			
	YES	YES	YES	YES
<b>RealHomeAnalyzer (HomeCheck)</b>	Developed by CSG, approved by DOE for use in Connecticut and Montana			
	YES	YES	NO	YES
<b>EA-5</b>	Approved by DOE for use in Idaho			
	YES	YES	NO	YES
<b>WeatherWorks</b>	Approved by DOE for use in Illinois			
	YES	YES	NO	YES
<b>Energy Conservation Online System (ECOS)</b>	Approved by DOE for use in Maine			
	YES	YES	NO	YES
<b>Targeted Investment Protocol System (TIPS)</b>	Approved by DOE for use in New York			
	YES	YES	NO	YES
<b>WxEOR</b>	Approved by DOE for use in North Dakota			
	YES	NO	NO	YES
<b>Puerto Rico Energy Audit Tool (PREAT)</b>	Approved by DOE for use in Puerto Rico			
	YES	NO	NO	NO

**Version changes to state-developed audits require DOE approval prior to implementation.**

**Measure Skipping Frequently Asked Questions To be  
posted on WAPTAC and EERE Websites Supplement  
to WPN 13-5 Energy Audit Submittal Procedures**

**1. What is the procedure to follow if a building owner or occupant declines a measure listed in the audit?**

- A. The prioritizing of energy saving measures must be accomplished using generally accepted engineering methods. Those methods must be approved by DOE. Allowing the refusal of a measure by a building owner or occupant would not comply with these basic rules. If a measure is declined, appropriate client education techniques will often eliminate the client's concern.

If after explanation and discussion with the building owner or occupant, they still decline the measure and the *auditor deems the reason for declining the measures as legitimate*, the auditor should complete all other weatherization measures and include in the client file a comprehensive explanation of the rationale for skipping the specific measure.

*(See following FAQs providing information on reasons that are NOT considered legitimate reasons for declining a measure.)*

If the auditor *deems this is not a legitimate reason for declining the measure*, the situation must be fully documented in the client file. The work would be completed with installation of only measures having a SIR higher than the declined measure. The client must be informed (documented) that the home cannot receive further work after the completion.

**2. Subgrantees at times are not adequately trained to perform certain measures. Can those weatherization measures be skipped for that reason?**

- A. No, lack of training is not a legitimate reason to skip a measure. It is expected that Grantees will provide adequate training for Subgrantees on audit procedures and measure installation methods. Ideally this training should be provided prior to the implementation of the approved audit. Staff and contractors do move on, so there may be brief times that a lack of expertise exists. Standard procedure should be to postpone a job(s) requiring priority measures that cannot be installed due to lack of trained staff until adequate

training is acquired. Training for measure installation is typically available within a reasonable time.

- 3. What happens if a client objects to a certain material, as explained by the auditor *prior to work beginning*, because they perceive it may do harm to themselves or their home?**
  - A. If the client objects to a measure prior to work beginning, alternate materials should be researched as appropriate to ensure the safety of the proposed measure. Client education should be the first procedure. If that fails it may be possible to re-run the audit with a different but acceptable material to determine if the substitute material is cost effective. If no cost effective option for the material can be identified, the job must be deferred due to client refusal unless the measure has the lowest SIR.
  
- 4. *After a job has begun* and due to scheduling, measures are installed with a low priority and during the process of installation, the client declines a higher priority measure. What can be done at that point?**
  - A. The job would be complete at the time of the client declining the higher priority measure. Only measures having a SIR higher than the declined measure may be installed unless a lower priority measure has already been installed. This should be clearly explained in client file documentation. Some agencies include a statement for client signature that states the client is aware and accepts all WAP rules, including the specific services and measures determined by an energy audit.
  
- 5. Can a measure, categorized in the Grantee's approved audit as a General Heat Waste (GHW) measure be skipped because the client just doesn't want it installed.**
  - A. By definition, GHW measures are not prioritized by the audit tool. This is for GHW measures that the Grantee clearly designates as such and are approved by DOE as GHW measures in the audit procedures approval. If a Grantee chose to include measures that could have been approved as GHW in the SIR calculations and measure priorities in the audit tool, the prioritized measure must be treated as other prioritized measures and not skipped. While approved priority lists may list GHW measures at the top of the list, there is no strict prohibition from skipping an individual GHW measure for any documented



reason (including declined by client), if the measure is a specifically approved GHW measure, not prioritized by SIR from the approved audit tool.

**6. One clause in WPN 11-6 under “Grantee Health and Safety Plan Updates” (page 10) can be perceived to imply that measure skipping, resulting in partial weatherization of the unit, may take place in some situations to avoid installing a measure that may exacerbate a H&S hazard. Can a measure be skipped in this case?**

- A. The intent of this section of WPN 11-6 is for a Grantee to explain how a variety of situations will be treated. A prioritized Energy Saving Measure (ECM) and any Health & Safety hazard may not be ignored. This is required by 10 CFR Part 440. The situation must be fully explained to the client verbally and in writing and an appeal process must be in place. Whether or not the problem is pre-existing or will be created by a weatherization measure, deferral of the job must be a consideration until other funding is available for correction (if out of the scope of the WAP). The weatherization measure may not be skipped in an attempt to avoid the health & safety issue. The only possible exception is if the ECM will cause the health & safety issue and the ECM has the lowest SIR on the prioritized list. A full explanation must be documented in the client file.

## EXHIBIT C

### **Priority List for Single-Family Homes**

This Priority List identifies energy conservation measures that will be installed in single-family dwellings in the State of Mississippi as part of the Department of Energy Weatherization Assistance Program (DOE). ***All measures installed must be in accordance with the Standard Work Specifications/Mississippi Weatherization Field Guide.*** Analysis of typical single-family housing types (single story, rectangular, frame construction on slab or pile foundation), using NEAT modeling software identified those measures that were cost-effective to install based on the State's housing stock, energy costs, measures costs, and climate conditions.

***Whenever non-typical dwelling configurations are encountered or other unique conditions would make this Priority List not appropriate, including substantial changes in energy costs or measures costs, then a site-specific evaluation of the dwelling using the latest version of the NEAT software must be performed to determine the specific energy conservation measures that are to be performed, and their order.***

Weatherization measures are prioritized in decreasing order of Savings to Investment Ratio (SIR), and should normally be installed in order as conditions dictate and funding allows. However, factors in the audit/assessment matrix for what is performed on each dwelling may dictate that some measures will not be installed or that the priority order may shift. These factors include: 1.) the health and safety of the occupants and work crews; 2.) household self-interests, needs, and abilities; 3.) total and/or actual savings – these estimates are useful but final results may vary; 4.) variations of impact on a dwelling that may be different depending on individual controls, behaviors, and structure airflows, temperatures, moisture, etc.

The health and safety of clients, workers, and agency personnel is an important component of the Weatherization Assistance Program. Health and safety inspection and testing must therefore be carried out as an integral part of the delivery of weatherization services, and after completion of the work to be sure that all necessary health and safety concerns are adequately addressed. Particular health and safety measures include but are not limited to:

- **Space heater repair, replacement or removal, subject to restrictions within WPN 08-4.**
- **Replacement of non-working furnaces, and air conditioners for at-risk clients. DCS defines At-risk Occupants as homes with children under six (6) years of age, elderly, disabled, or have serious medical conditions. Because Mississippi is a predominantly hot weather state, air conditioning**

system replacement, repair, or installation is allowed in homes of at-risk occupants.

**\*Note: A Certified HVAC Technician must perform all HVAC services in accordance to the SWS/Mississippi Weatherization Field Guide.**

- Vented exhaust fans over gas cooking appliances and in full bathrooms (Full bathrooms are defined as a room with shower/tub, face bowl and toilet).
  - *High quality exhaust fans shall be used that have a sone level of 1.5 or less, are energy efficient, and have a CFM rating of at least 50(Bathroom) 100(Kitchen).*
  - Expandable Foam or caulk must be used around all plumbing.
  - Expandable Foam must be sprayed under the bathtub, *where crawl space is accessible.*
- Installation of smoke alarms; one in each bedroom and at least one in the main hallway. **Replacement of operable smoke detectors is not an allowable cost.**
- Installation of carbon monoxide detectors/alarms; install in living area near kitchens in homes that use gas or solid fuel-burning appliances. **Replacement of operable carbon monoxide detectors is not an allowable cost.**
- *Installation of fire extinguishers in dwellings with solid-fuel burning appliances.*

## **Mississippi Single-Family Home Priority List**

Priority	Measure	
1.	<b>Air Sealing</b> <b>Field Guide</b> <b>Chapter 4</b> <b>Field guide</b> <b>Chapter 4.1</b> <b>(SWS 3.1001.1,</b> <b>3.1003.5 &amp;</b> <b>3.1003.6)</b>	<ul style="list-style-type: none"> <li>• Perform air sealing as guided by use of the blower door. State protocols should be followed to identify when incremental air sealing steps exceed cost-effective limits, and to ensure that dwellings are not <b>sealed below their required minimum ventilation rate.</b></li> <li>• Perform tests after air sealing to verify that each dwelling complies with the requirements of ASHRAE 62.2-2013 for <b>necessary minimum indoor ventilation rates.</b> Add supplemental mechanical ventilation wherever a dwelling is determined to be sealed too tightly.           <ul style="list-style-type: none"> <li>○ Check wall top plates for plumbing and wiring penetrations.</li> <li>○ Check around chimneys and furnace/water heater vents. Note any other bypasses.</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>○ Check that attic vents are adequate. <b><u>One (1) square foot (ft<sup>2</sup>)</u></b>, of attic net free vent area is needed for every 300 ft<sup>2</sup> of attic floor area. Inadequate attic ventilation can cause misleading pressure readings.</li> </ul>																									
2.	<p><b>Attic Insulation</b>  <b>Field guide Chapter 4.1</b>  <b>(SWS 4.1001.4,</b></p>	<ul style="list-style-type: none"> <li>• Seal attic bypasses and holes guided by blower door testing prior to installation of attic insulation. Be sure that adequate attic ventilation is in place; there should be one square foot of net free attic vent area for every 300 square feet of total attic area.</li> <li>• If an attic has less than R-19 of existing insulation, add insulation to achieve a post-weatherization total insulating value of R-30. Insulation should not be installed if an attic has existing insulation measuring R-19 or greater.</li> <li>• Attics must be prepped w/2-part foam prior to blowing insulation</li> </ul> <p>Attics should be insulated to the following R-values:</p> <table border="1"> <thead> <tr> <th><b>Weather Similar To:</b></th> <th><b>Most</b></th> <th><b>Region 1</b></th> <th><b>Region 2</b></th> <th><b>Region 3</b></th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td><b>(Tupelo)</b></td> <td><b>(Jackson)</b></td> <td><b>(Gulfport)</b></td> </tr> <tr> <td>Natural Gas</td> <td></td> <td>R-30</td> <td>R-19</td> <td>R-19</td> </tr> <tr> <td>Propane</td> <td></td> <td>R-30</td> <td>R-30</td> <td>R-30</td> </tr> <tr> <td>Electric Resistance</td> <td></td> <td>R-30</td> <td>R-30</td> <td>R-30</td> </tr> </tbody> </table>	<b>Weather Similar To:</b>	<b>Most</b>	<b>Region 1</b>	<b>Region 2</b>	<b>Region 3</b>			<b>(Tupelo)</b>	<b>(Jackson)</b>	<b>(Gulfport)</b>	Natural Gas		R-30	R-19	R-19	Propane		R-30	R-30	R-30	Electric Resistance		R-30	R-30	R-30
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3.	<p><b>Dense-Pack Sidewalls</b>  <b>Field Guide Chapter 5.3.1</b>  <b>(SWS 4.1101.1)</b></p>	<ul style="list-style-type: none"> <li>• Drill test holes to determine presence of existing sidewall insulation. If there is no existing sidewall insulation, dense-pack all sidewall cavities with insulation.</li> <li>• If all test holes indicate existing insulation, skip sidewall insulation measure.</li> <li>• If some sidewalls have existing insulation and some do not, drill additional test holes to determine if sidewall dense-packing is warranted. If at least half of the wall cavities have no existing insulation, dense-pack all sidewalls with insulation.</li> <li>• Locate interior walls containing plumbing and heating vents.</li> </ul>																									
4.	<p><b>Floor Insulation</b>  <b>Field Guide Chapter 6.3.2</b>  <b>(SWS 4.1301.1)</b></p>	<ul style="list-style-type: none"> <li>• Large floor by-passes and holes should be sealed, guided by the blower door, prior to installation of floor insulation (keeping in mind that sealing attic bypasses is generally more effective than sealing floor leaks).</li> <li>• For floors having no insulation, add insulation to achieve a</li> </ul>																									

		<p>final insulating value of R-19.</p> <ul style="list-style-type: none"> <li>For floors having existing insulation in place, do not add any additional insulation.</li> <li>Insulate between the floor joists with rolled fiberglass.</li> <li>Check for plumbing and wiring penetrations through the floor.</li> <li>Note any existing floor insulation.</li> </ul> <table border="1"> <thead> <tr> <th>Cellulose</th> <th>R-Value</th> <th>Min. Bags per 1000 net ft.</th> <th>Min. Wt. , Sq. ft. lbs</th> <th>Min. Thickness (Inches)</th> </tr> </thead> <tbody> <tr> <td></td> <td>R-11</td> <td>9.0</td> <td>0.255</td> <td>3.50</td> </tr> <tr> <td></td> <td>R-19</td> <td>16.6</td> <td>0.497</td> <td>5.29</td> </tr> <tr> <td></td> <td>R-30</td> <td>29.6</td> <td>0.897</td> <td>8.36</td> </tr> </tbody> </table> <p><i>*Can vary slightly by manufacturer. Add an additional 20% for settling.</i></p>	Cellulose	R-Value	Min. Bags per 1000 net ft.	Min. Wt. , Sq. ft. lbs	Min. Thickness (Inches)		R-11	9.0	0.255	3.50		R-19	16.6	0.497	5.29		R-30	29.6	0.897	8.36
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			<b>Region 1 (Tupelo)</b>	<b>Region 2 (Jackson)</b>	<b>Region 3 (Gulfport)</b>																	
		Natural Gas	R-19	R-19	R-11																	
		Propane	R-19	R-19	R-19																	
		Electric Resistance	R-19/R-30*	R-19	R-19																	
5.	<p><b>Seal and Insulate Ducts</b>  <b>Field Guide Chapter 6.4</b>  <b>(SWS 4.1601.1)</b></p>	<ul style="list-style-type: none"> <li>Test all ductwork and registers with pressure pan and duct blaster to determine ductwork air leakage rates and locations of major leak points.</li> <li>Repair and seal all accessible ducts, connections, boots, and register connections <b>with mastic and other appropriate materials.</b></li> <li>Pressure pan test all registers with blower door running after duct sealing work is completed, to verify effectiveness. After ducts are sealed, insulate all supply and return ducts located outside of conditioned space <b>to a level of R-8, using foil-faced duct insulation.</b></li> </ul>																				
6.	<p><b>Smart Thermostat</b>  <b>Field Guide Chapter 8.18</b></p>	<p>Install a programmable setback thermostat in dwellings with central heating/cooling systems that do not currently have a setback thermostat, but <b>ONLY</b> if the auditor believes that the client/occupant can be educated to use the device properly.</p>																				
7.	<p><b>Compact Fluorescent Lamps (CFLs)</b>  <b>Field Guide Chapter 10</b></p>	<p>Replace existing incandescent bulbs in fixtures that are used more than two (2) hours per day with compact fluorescent lamps (CFL's). Wattage of replacement CFL's should be chosen to maintain or improve existing illumination levels.</p>																				

<p>8.</p>	<p><b>Refrigerator Field Guide Chapter 10.1.1 (SWS 7.8001.1)</b></p>	<p>Refrigerator replacement is an allowable baseload conservation measure under the DOE Weatherization Assistance Program. To determine if an existing refrigerator is a good candidate for replacement, it must be supported in each instance by establishing that replacement achieves an SIR of 1 or greater, through the use of metering or manufacturer data to establish the energy consumption of the existing refrigerator, and establishing the total installed cost of the replacement model.</p> <p>Protocols and operational requirements for refrigerator replacement are established in “<i>Incorporating Refrigerator Replacement into the Weatherization Program</i>”, downloadable through <a href="http://www.waptac.org">www.waptac.org</a>.</p>
<p>9.</p>	<p>General Heat Waste (Follow the SWS when installing these measures)</p>	<p>The following low-cost weatherization measures should be installed or performed where applicable and as funding permits:</p> <ul style="list-style-type: none"> <li>• Weatherstripping.</li> <li>• Caulking.</li> <li>• Patch broken glass panes.</li> <li>• Hole plugging/patching to address draft and comfort complaints.</li> <li>• Water heater tank wrap if none exists and tank manufacturer allows additional insulation. (<i>gas water heaters only</i>)</li> <li>• Water heater pipe insulation (first 6 feet of hot and cold lines adjacent to tank).</li> <li>• Faucet aerators.</li> <li>• Low-flow showerheads.</li> <li>• Furnace and A/C tune-up.</li> <li>• Clean or replace filters in furnace/AC units– <b>provide 12 month supply.</b></li> <li>• Re-glaze windows (as needed).</li> <li>• Install sunscreens on <b>south and west-facing windows that are un-shaded.</b></li> <li>• Repair/Replace door sweeps and thresholds where needed.</li> <li>• Install electrical outlet gaskets and safety caps.</li> <li>• <b>Install ground vapor barriers beneath dwellings where not already in place.</b></li> </ul>

**Mobile Homes - All measures installed must be in accordance to the Standard Work Specifications/Mississippi Weatherization Field Guide.**

**Mississippi Priority List Measures – Mobile Homes**

Priority	Measure	
1.	<b>Air Sealing            Field Guide            Chapter 4            (SWS 3.1301.1)</b>	<ul style="list-style-type: none"> <li>• Carry out air sealing guided by use of the blower door. State protocols should be followed to identify when incremental air sealing steps exceed cost-effective limits, and to ensure that dwellings are not sealed below their required minimum ventilation rate.</li> <li>• Perform tests after air sealing to verify that each dwelling complies with the requirements of ASHRAE 62.2-2013 for necessary minimum indoor ventilation rates. Add supplemental mechanical ventilation wherever a dwelling is determined to be sealed too tightly.</li> </ul>
2.	<b>Roof            Insulation            Field guide            Chapter 4.1            (SWS 4.1003.8)</b>	<ul style="list-style-type: none"> <li>• Seal holes in ceiling and roof to prevent escape of blown-in insulation.</li> <li>• Fill cavity with loose fiberglass insulation.</li> </ul>
3.	<b>Sidewalls            Insulation            Field Guide            Chapter 5.3.1            (SWS 4.1104.1)</b>	<ul style="list-style-type: none"> <li>• Determine presence of any existing sidewall insulation. If there is no existing sidewall insulation, fill sidewall cavities with fiberglass insulation.</li> <li>• If inspection or testing indicates existing insulation is present, skip sidewall insulation measure.</li> </ul>
4.	<b>Seal Ducts            Field Guide</b>	<ul style="list-style-type: none"> <li>• Test all ductwork and registers with pressure pan and duct blaster to determine ductwork air leakage</li> </ul>

	<b>Chapter 6.4</b> (SWS 4.1601.4 & 4.1601.5)	<p>rates and locations of major leak points.</p> <ul style="list-style-type: none"> <li>• Repair and seal all accessible ducts, connections, boots, and register connections with mastic and other appropriate materials.</li> </ul>
5.	<b>Floor Insulation</b> <b>Field Guide</b> <b>Chapter 6.3.2</b> (SWS 4.1303.1, 4.1303.2, & 4.1303.3)	<ul style="list-style-type: none"> <li>• Large holes into the inhabited space should be sealed, guided by the blower door, prior to installation of floor insulation. Repair belly material and wing boards as necessary to contain insulation. Tighten belly material so that no more than 8 to 10 inches of space is available to fill floor cavity.</li> <li>• Fill the belly and wing cavities with loose fiberglass insulation.</li> </ul>
6.	<b>Smart Thermostat</b> <b>Field Guide</b> <b>Chapter 8.18</b>	<ul style="list-style-type: none"> <li>• Install a programmable setback thermostat in dwellings with central heating/cooling systems that do not currently have a setback thermostat, but ONLY if the auditor believes that the client/occupant can be educated to use the device properly.</li> </ul>
7.	<b>Compact Fluorescent Lamps (CFLs)</b> <b>Field Guide</b> <b>Chapter 10</b>	<ul style="list-style-type: none"> <li>• Replace existing incandescent bulbs in fixtures that are used more than two (2) hours per day with compact fluorescent lamps (CFL's). Wattage of replacement CFL's should be chosen to maintain or improve existing illumination levels.</li> </ul>
8.	<b>Refrigerator</b> <b>Chapter 10.1.1</b> (SWS 7.8001.1)	<p>Refrigerator replacement is an allowable base load conservation measure under the DOE Weatherization Assistance Program. To determine if an existing refrigerator is a good candidate for replacement, it must be supported in each instance by establishing that replacement achieves an SIR of 1 or greater, through the use of metering or manufacturer data to establish the energy consumption of the existing refrigerator, and establishing the total installed cost of the replacement model.</p> <p>Protocols and operational requirements for refrigerator replacement are established in "<i>Incorporating Refrigerator Replacement into the Weatherization Program</i>", downloadable through <a href="http://www.waptac.org">www.waptac.org</a>.</p>
9.	General Heat Waste (Follow the SWS	The following low-cost weatherization measures should be installed or performed where applicable and as funding permits:



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**EXHIBIT D**  
**MS Weatherization Program Pre Home Energy Inspection Form**

**(A pdf of this document may be downloaded from the ITS website at  
<http://www.its.ms.gov/procurement/pages/3837.aspx>)**