



RFP No: 4488

INVITATION: Proposals, subject to the attached conditions, will be received at this office until **December 1, 2023 @ 3:00 p.m.** Central Time for the acquisition of the products/services described below for **Mississippi Department of Human Services**.

Update of Critical Case and Eligibility Systems and Software (SUCCESS)

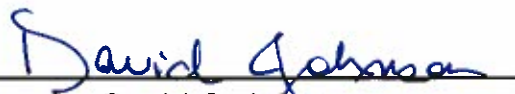
MANDATORY VENDOR WEB CONFERENCE: October 3, 2023, at 11:00 a.m. Central Time

The Vendor must submit proposals and direct inquiries to:

Solicitations Team
Information Technology Services
3771 Eastwood Drive
Jackson, MS 39211
RFP@its.ms.gov

To prevent opening by unauthorized individuals, the proposal must be sealed in an envelope/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. 4488
due December 1, 2023@ 3:00 p.m., Central Time
ATTENTION: Solicitations Team


David C. Johnson
Executive Director, IT

ITS RFP Response Checklist

RFP Response Checklist: These items should be included in your response to RFP No. 4488.

- 1) One USB flash drive that includes the Vendor's complete proposal. Label the USB with the Vendor name and RFP number. Include the items listed below on the USB.
- 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) Vendor response to *Cost Information Submission* (Section VIII)
- 7) *References* (Section IX)
- 8) Point-by-point response to Functional and Technical Specifications (Attachment A)
- 9) Point-by-point response to Attachment B – MDHS System RTM
- 10) Point-by-point response to Attachment C – Cost Proposal Template

TABLE OF CONTENTS

TABLE OF CONTENTS..... 3
SECTION I 4
SUBMISSION COVER SHEET & CONFIGURATION SUMMARY 4
SECTION II 6
PROPOSAL SUBMISSION REQUIREMENTS 6
SECTION III 9
VENDOR INFORMATION 9
SECTION IV 13
LEGAL AND CONTRACTUAL INFORMATION 13
SECTION V 25
PROPOSAL EXCEPTIONS 25
SECTION VI 28
RFP QUESTIONNAIRE 28
SECTION VII 31
TECHNICAL SPECIFICATIONS 31
SECTION VIII 38
COST INFORMATION SUBMISSION 38
SECTION IX 39
REFERENCES 39
EXHIBIT A 43
STANDARD CONTRACT 43
EXHIBIT B 73
Service Level Assessments 73
EXHIBIT C 84
Data Terms and Conditions 84

**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 #	_____
	_____	Email	_____

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 _____

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

Please attach the required Proposal Bond here.

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 in blue ink are required on the Submission Cover Sheet and Configuration Summary. The Vendor must include the Proposal Bond within the proposal package, (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 re-key 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 response of the complete proposal, including all sections and exhibits, on a USB flash drive. Vendor's documents must be submitted in Microsoft Office 2010 or higher format and/or PDF format, as appropriate. If PDF format is submitted, the file must be searchable.
 - 9.2 To prevent opening by unauthorized individuals, the proposal must be sealed in a package/envelope. 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 the file names of 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 unsolicited clarifications via USB in the same manner as detailed in Item 9 above.
 - 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. See Section VII: Technical Specifications, Item 4, Procurement Project Schedule. The current anticipated deadline for Vendor's written questions is October 10, 2023 at 3:00 p.m. Central Time. This Q&A period may be amended in accordance with the RFP. 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 for the selection process is: Solicitations Team, 3771 Eastwood Drive, Jackson, MS 39211, RFP@its.ms.gov. Vendor must include the RFP number in the email's subject line.
 - 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:

<https://www.its.ms.gov/procurement/rfps-and-sole-sources>

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. **Right to Use Proposals in Future Projects by Entities Outside Mississippi**
The State reserves the right to offer 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 by governmental entities outside Mississippi (i.e., "piggyback option"), if (a) it is deemed to be in the best interest of the governmental entity desiring 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 outside Mississippi is solely at the discretion of the State and requires the desire of the governmental entity outside Mississippi and the agreement of the proposing Vendor. The State's decision to consent to the reuse of an awarded proposal outside Mississippi will be based upon such criteria as: (1) the governmental entity'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.
12. **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.
13. **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.

14. 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:

- 14.1 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.
- 14.2 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.
- 14.3 That the individual is proficient in spoken and written English.
- 14.4 That the individual is a U.S. citizen or that the individual meets and will maintain employment eligibility requirements in compliance with all United States Citizenship and Immigration Services (USCIS) 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.
- 14.5 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 USCIS eligibility throughout the duration of the contract.

15. 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 webhosting, 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 regarding this business relationship precludes the Vendor from imposing any subsequent limitations of this type in future project undertakings by the State.

16. 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.

17. **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.

18. **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.

19. **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.

20. **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. 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 Pursuant to Mississippi Code Annotated Section 25-53-21(e), the Executive Director of ITS may negotiate a limitation on the liability to the State of prospective contractors provided such limitations afford the State reasonable protection and the limitation is approved by the State entity for whom the acquisition is being made. A Vendor who wishes to negotiate a limitation to their liability to the State under this RFP must provide a proposed limitation of liability in their response at the time of submission for the State's consideration. However, 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.
- 7.10 The State shall not propose any prohibited technology as defined in the law (a) "Prohibited technology" means any information technology deemed to pose an unacceptable risk to the security of the United States and/or the State of Mississippi by Mississippi and/or federal law, regulation, or guidance.

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.

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 potential subcontractors for the work outlined in the RFP, or any applicable agreements already executed between the Vendor and any potential subcontractor, 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 awarding 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 or service 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 is established to safeguard the State's information technology (IT) assets from unauthorized use, access, disclosure,

modification, or destruction. 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 ensure the solution or service complies 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. Vendors wanting to view the Enterprise Security Policy can do so at: <https://www.its.ms.gov/services/security/enterprise-security-policies-and-standards>

33. Compliance with Enterprise Cloud and Offsite Hosting Security Policy

Any cloud or vendor-hosted solution proposed in response to this RFP must be in compliance with the State of Mississippi's Enterprise Cloud and Offsite Hosting Security Policy. The Enterprise Cloud and Offsite Hosting Security Policy is based on industry-standard best practices, policy, and guidelines and augments the Enterprise Security Policy. 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 ensure the cloud or vendor-hosted solution complies 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. Vendors wanting to view the Enterprise Cloud and Offsite Hosting Security Policy can do so at: <https://www.its.ms.gov/services/security/enterprise-security-policies-and-standards>

34. 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.

35. 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:

<https://www.its.ms.gov/sites/default/files/ProcurementPDFs/ISS%20Procurement%20Manual.pdf#page=155> 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.

36. 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.

37. Proposal Bond

The Vendor must include a proposal bond in the amount of \$7,500.00 with its RFP proposal package. Vendor is specifically disallowed from taking exception to the proposal bond requirement. Proposals without proposal bonds will be rejected.

The security must be in the form of a bond, irrevocable letter of credit, certified check, or cashier's check (hereinafter, "security") payable to the , to be held by their contracting agent, the Mississippi Department of Information Technology Services, and must be included in with the Vendor's USB proposal response. The submission of an acceptable security is a condition precedent to a valid proposal, and the amount of the security is not negotiable or contestable. Any proposal received without the security will be rejected and returned to the Vendor without further consideration.

The security binds the Vendor to the commitments made in writing in the Vendor's proposal. The security will be forfeited in the event the awarded Vendor, at any time during the contract negotiation process, refuses to honor commitments made in its proposal, reneges on pricing, takes exception to any term or condition that was not addressed in the Vendor's written proposal, or fails to execute a contract as anticipated in the RFP and the Vendor's proposal, including documented exceptions, within fifteen (15) working days after the Vendor's initial receipt of the project contract from ITS, unless an extension is agreed to by ITS.

As stated in the RFP, the Vendor may take exception to any point without incurring any liability to provide items to which an exception has been taken. Likewise, the State has no obligation to accept any proposed exception. Should the State decide, at its sole discretion and at any point in the process, that an exception is NOT acceptable, ITS will reject the Vendor's proposal and return the Vendor's security.

The Vendor's security will be returned promptly after ITS and the successful Vendor have executed a contract or within ninety (90) days after opening the proposals if no letter of intent to award a contract has been sent. In the event that the successful Vendor fails to

accept and sign the mutually negotiated contract, that Vendor shall be disqualified and ITS shall initiate negotiations with the next ranked Vendor until a contract is successfully negotiated, or ITS elects to cancel the procurement. The securities of all remaining Vendors will be returned when a contract has been successfully negotiated and executed, or when the procurement is canceled.

38. Performance Bond/Irrevocable Bank Letter of Credit

The Vendor must include the price of a performance bond or irrevocable bank letter of credit with its RFP proposal. The cost of the bond or letter of credit must be shown as a separate line item in the *Cost Information Submission*. The performance bond or letter of credit must be procured at the Vendor's expense prior to the execution of the contract and may be invoiced to after contract initiation only if itemized in the *Cost Information Submission* and in the executed contract. **The final decision as to the requirement for a Performance Bond or Irrevocable Bank Letter of Credit will be made upon contract award and is at the State's sole discretion.**

If a Performance Bond /Irrevocable Bank Letter of Credit is required, the Vendor must procure and submit to ITS, on behalf of **Mississippi Department of Human Services**, with the executed contract, (a) a performance bond from a reliable surety company authorized to do business in the State of Mississippi or (b) an irrevocable bank letter of credit that is acceptable to the State. The Performance Bond or the Irrevocable Letter of Credit shall be for the total amount of the contract or an amount mutually agreed upon by the State and the successful Vendor and shall be payable to , to be held by their contracting agent, the Mississippi Department of Information Technology Services. No contract resulting from this RFP will be valid until the required Performance Bond or Irrevocable Bank Letter of Credit has been received and found to be in proper form and amount. The Vendor agrees that the State has the right to request payment for a partial amount or the full amount of the Irrevocable Letter of Credit/Performance bond should the products/services being procured hereunder not be provided in a manner consistent with this RFP and the Vendor's proposal by the delivery dates agreed upon by the parties. The State may demand payment by contacting the bank issuing the letter of credit or the bonding company issuing the performance bond and making a written request for full or partial payment. The issuing bank/bonding company is required to honor any demand for payment from the State within fifteen (15) days of notification. The letter of credit/performance bond shall cover the entire contract period, with the exception of post-warranty maintenance and support, and shall not be released until final acceptance of all products and deliverables required herein or until the warranty period, if any, has expired, whichever occurs last. If applicable, and at the State's sole discretion, the State may, at any time during the warranty period, review Vendor's performance and performance of the products/services delivered and determine that the letter of credit/performance bond may be reduced or released prior to expiration of the full warranty period.

39. 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.

40. 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:

<https://www.its.ms.gov/sites/default/files/ProcurementPDFs/ISS%20Procurement%20Manual.pdf#page=173> or from ITS upon request.

41. 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 4488.

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.

42. 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 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.

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 or Federal 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
(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)	(Sign here only if accepted)
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:

<http://www.dfa.ms.gov/dfa-offices/mrms/mississippi-suppliers-vendors/supplier-self-service/>

Vendors who have previously done business with the State may obtain their MAGIC Vendor code and all Vendors may access additional Vendor information at the link above.

All Vendors must furnish ITS with their 10-digit MAGIC Vendor code (begins with the number 3).

MAGIC Vendor Code: _____

- 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:

<https://mississippi.org/services/minority/>

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.

If Vendor is claiming status as a Minority Business Enterprise or Woman Business Enterprise, the Vendor must include a copy of their Minority Vendor Self-Certification Form with their RFP response.

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.)

Vendors must provide proof, in its response to this procurement, from the Office of the Secretary of State of the State of Mississippi demonstrating that Vendor is in good standing to do business in Mississippi. Failure to comply with this requirement may subject the vendor's response being deemed non-responsive and subject to disqualification.

3. Compliance with National Defense Authorization Act

The Vendor must state if Vendor equipment being provided is in compliance with the National Defense Authorization Act, Section 889. (A yes or no answer is required.)

4. 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:

4.1 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.)

4.2 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.

5. Pending Legal Actions

5.1 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.)

5.2 Are there any criminal or civil proceedings (federal or state) pending against the Vendor or its principals or employees that pertain to any public procurement within the State of Mississippi or elsewhere? (A yes or no answer is required.)

5.3 If your answer to either of the above is "yes", provide a copy of same and state with specificity the current status of the proceedings.

5.4 The State, at its sole discretion, may reject the proposal of a Vendor who (a) has criminal or civil proceedings pending that pertain to a public procurement within Mississippi or elsewhere, or (b) has lawsuits or other legal proceedings pending that pertain to any of the products or services which are part of the Vendor's proposal.

6. Non-Disclosure of Social Security Numbers

Does the Vendor agree 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 agreement is required by Section 25-1-111 of the Mississippi Code Annotated. (A yes or no answer is required.)

7. **Web Amendments**

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

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.)

8. **Order and Remit Address**

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

Order Address:

Remit Address (if different):

9. **Taxpayer Identification Number**

Vendor must specify their taxpayer identification number.

10. **Certification of Liability Insurance**

Vendor must provide a copy of their Certificate of Liability Insurance with their RFP response.

11. **E-Verify Registration Documentation**

Vendor must ensure its compliance with the Mississippi Employment Protection Act, Section 71-11-1, et seq. of the Mississippi Code Annotated (Supp2008). Vendor must provide documentation of their E-Verify compliance with their RFP response. See Section IV, Item 42 for additional information.

12. **System for Award Management (SAM) Registration Documentation**

Vendor must include a copy of their registration with the Federal Government's System for Award Management (SAM) with their RFP response.

SECTION VII TECHNICAL SPECIFICATIONS

1. How to Respond to this Section

- 1.1 Attachments A – C provide instructions needed to submit responses to the requirements.
- 1.2 The State is under the impression that Vendors have read and agree to all items in this RFP. Vendors should take exception to items in which they disagree.
- 1.3 The Vendor must respond with “WILL COMPLY” or “EXCEPTION” 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.
- 1.4 “WILL COMPLY” indicates that the vendor can and will adhere to the requirement. This response specifies 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 “WILL COMPLY”, 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. Mandatory Provisions or Non-Mandatory Provisions in Technical Requirements for this RFP

- 2.1 Certain items in the technical specifications of this RFP are MANDATORY. Vendors are specifically disallowed from taking exception to these mandatory requirements, and proposals that do not meet all mandatory requirements are subject to immediate disqualification.
- 2.2 Mandatory requirements are those features classified as “M” (Mandatory) in the Attachment A and Attachment B MDHS System RTM documents. Meeting a mandatory requirement means the Vendor has provided a detailed response that demonstrates that the Vendor meets the qualifications and experience required and/or the requested functionality exists in the base solution at time of proposal submission.
- 2.3 Mandatory Vendor Web Conference on October 3, 2023 @ 11:00 am CST is mandatory for any Vendor who intends to submit an RFP response. No exceptions will be granted to this requirement. Any proposal received from a Vendor who did not have an authorized representative at the Vendor Conference will be rejected.

2.3.1 To access the Mandatory Vendor Web Conference, Vendors must contact the Solicitations Team via e-mail no later than Monday, October 2, 2023 at 12:00 p.m. Central Time to receive dial-in instructions.

3. General Overview and Background

3.1 The Mississippi department of Human Services (MDHS) is seeking a single vendor to implement, host, support, and maintain a modernized, integrated solution that will replace five (5) legacy information technology (IT) systems. See Attachment A of the RFP for more details.

3.2 MDHS is an umbrella agency within the State whose mission is “Offering Mississippians Young and Old Tangible Help Today to Create Lasting Hope for Tomorrow”. MDHS is comprised of the following programmatic divisions that provide services to approximately 713,992 Mississippians:

- Aging and Adult Services
- Child Support Enforcement
- Community Services
- Early Childhood Care and development
- Economic Assistance Eligibility
- Workforce Development and Partnership Management
- Youth Services

4. Procurement Project Schedule

Task	Date
First Advertisement Date for RFP	09/19/23
Second Advertisement Date for RFP	09/26/23
Mandatory Vendor Web Conference	11:00 am Central Time on 10/03/23
Deadline for Vendor’s Written Questions	3:00 p.m. Central Time on 10/10/23
Deadline for Questions Answered and Posted to ITS Web Site	10/24/23
Open Proposals	3:00 pm Central Time on 12/01/23
Evaluation of Proposals Begin	12/01/23
ITS Board Presentation	01/18/24
Contract Negotiation	Jan – Feb 2024
Federal Partners Contract Review	Feb – Apr 2024
Proposed Project Implementation Start-up	05/01/24
Project Go-Live Deadline	TBD

5. Statement of Understanding

- 5.1 Vendors may request additional information or clarifications to this RFP using the following procedure:
- 5.1.1 Vendors must clearly identify the specified paragraph(s) in the RFP that is in question. The following table should be used to format Vendor questions.
 - 5.1.2 Vendor must deliver a written document to RFP@its.ms.gov by Tuesday, October 10, 2023, at 3:00 p.m. Central Time. Vendor must include the RFP number in the subject line of the email. 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 Solicitations Team to verify the receipt of their document. Documents received after the deadline will be rejected.
- 5.2 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 Tuesday, October 24, 2023.

6. Functional and Technical Requirements

- 6.1 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.
- 6.2 For the functional and technical requirements relevant to this procurement, refer to Attachments A and B, which are incorporated herein by reference and is considered integral to this RFP. ATTACHMENTS A and B are posted on the same website location as this RFP No. 4488, and the link is located directly beneath the link for RFP No. 4488.

7. Additional Requirements

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.

8. Scoring Methodology

- 8.1 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.
 - 8.1.1 Each category included in the scoring mechanism is assigned a weight between one and 100.

- 8.1.2 The sum of all categories equals 100 possible points.
- 8.1.3 For the evaluation of this RFP, the Evaluation Team will use the following categories and possible points:

Category	Possible Points
Non-Cost Categories:	
Vendor Qualifications and Experience	20
Att. A Item 2.1 Vendor Company Information	
RFP – Section IX References	
System Requirements	25
Att. A Item 5.2 Narrative Response to System Requirements	
Att. A Item 5.3 Response to MDHS System RTM; Attachment B – MDHS RTM	
Att. A Item 5.4 Narrative Response to Tasks	
General and Technical Services	30
Att. A Item 3.1 Overall Strategy and Approach	
Att. A Item 4 Proposed Approach to General Services	
Att. A Item 5 Proposed Approach to DDI Services	
Att. A Item 6 Proposed Approach to SI Services	
Att. A Item 7 Proposed Approach to Operations and Maintenance (O&M) Services and Enhancements	
Att. A Item 8 Proposed Approach to Transition Out Services	
Total Non-Cost Points	75
Total Cost Points	25
Maximum Possible Points	100

- 8.2 The evaluation will be conducted in four stages as follows:
 - 8.2.1 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 if applicable, 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.
 - 8.2.2 Stage 2 – Non-cost Evaluation (all requirements excluding cost)
 - 8.2.2.1 Non-cost categories and possible point values are as follows:

Category	Possible Points
Non-Cost Categories:	
Vendor Qualifications and Experience	20
Att. A Item 2.1 Vendor Company Information	
RFP – Section IX References	
System Requirements	25
Att. A Item 5.2 Narrative Response to System Requirements	
Att. A Item 5.3 Response to MDHS System RTM; Attachment B – MDHS RTM	
Att. A Item 5.4 Narrative Response to Tasks	
General and Technical Services	30
Att. A Item 3.1 Overall Strategy and Approach	
Att. A Item 4 Proposed Approach to General Services	
Att. A Item 5 Proposed Approach to DDI Services	
Att. A Item 6 Proposed Approach to SI Services	
Att. A Item 7 Proposed Approach to Operations and Maintenance (O&M) Services and Enhancements	
Att. A Item 8 Proposed Approach to Transition Out Services	
Maximum Possible Points	75

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

8.2.2.3 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 Vendor Qualifications and Experience category was allocated 20 points; a proposal that fully met all requirements in that section would have scored 18 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.

8.2.3 Stage 3 – Cost Evaluation

8.2.3.1 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

8.2.3.2 Cost categories and maximum point values are as follows:

Cost Category	Possible Points
Lifecycle Cost	25
Maximum Possible Points	25

8.2.4 Stage 4 – Selection of the successful Vendor

8.2.4.1 Demonstrations and Interviews

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

8.2.4.1.2 If requested, Vendors must be prepared to make 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.

8.2.4.1.3 Proposed key team members must be present at the demonstration. The evaluation team reserves the right to interview the proposed key team members during this visit/demonstration.

8.2.4.1.4 Although demonstrations may be requested, the demonstration will not be allowed in lieu of a written proposal.

8.2.4.1.5 Demonstrations will be restricted to a two (2) hour time limit.

8.2.5 Site Visits

8.2.5.1 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. The reference site should be in the Southeastern region of the United States. Vendor must list potential reference sites in the proposal.

- 8.3 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**

The level of detail must address the following elements as applicable: item, description, quantity, retail, discount, extension, and deliverable. Any cost not listed, even if it was asked for in the RFP technical requirements but not included below, may result in the Vendor providing those products or services at no charge to the State or face disqualification.

The Vendor must complete the template in Attachment C – Cost Proposal Template and submit it as a MS Excel file as part of the proposal. Instructions for completing the Cost Proposal can be found on the worksheet labeled as “Instructions” in Cost Proposal Template.

The Vendor is to propose a firm, fixed price that includes all costs for performing the tasks, including staff costs, software, licensing, hosting, and any other non-labor expenses necessary to accomplish the tasks and to produce the services and deliverables under this RFP. The Vendor must also include a change order hourly rate that may be used for any changes to the scope of work under this RFP. No additional charges for overhead, travel, or other expenses shall be allowed after Contract award.

Cost Proposal information must not be included with the Vendor's Technical Response or Financial Response. Including cost or price information in the Technical Response or Financial Response may be cause for proposal disqualification.

All Vendors must submit a comprehensive and complete Cost Proposal that meets all the requirements specified within this RFP.

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 three (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 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:

--

SUBCONTRACTOR REFERENCE FORM

Complete Reference Forms for each Subcontractor.

Contact Name:
Company Name:
Address:
Phone #:
E-Mail:
Project Start Date:
Project End Date:

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.

The State is aware that the attached agreement contemplates a vendor hosted solution. Depending on the proposed solution awarded by the State, this attached agreement's hosting provisions are subject to change.

**PROJECT NUMBER 47212
SOFTWARE LICENSE AND APPLICATION SERVICE PROVIDER AGREEMENT
BETWEEN
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, VENDOR NAME, a STATE OF INCORPORATION corporation having its principal place of business at VENDOR ADDRESS, CITY, STATE ZIP (hereinafter referred to as "Licensor"), 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 200 South Lamar Street, Jackson, Mississippi 39201 (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 (hereinafter referred to as "RFP") Number 4488 requested proposals for the services of a contractor to host and maintain an Application Service Provider ("ASP") solution for an Update of Critical Case and Eligibility Systems Software 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 to 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, MDHS employees actively participating on the system in any given month of operation, who shall be bound to 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. 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 Update of Critical Case and Eligibility Systems Software 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 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 Update of Critical Case and Eligibility Systems Software 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 on or before **COMPLETION 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 four (4) additional five (5) year terms. 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 Update of Critical Case and Eligibility Systems 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's 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's 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's 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 99.5% 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 (99.5%) 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 99.5% 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 pursuant to Exhibit B Service Level Assessments below. 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 \$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. 4488 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** Licensor represents and warrants that, to the extent applicable, it will ensure its compliance with the Mississippi Employment Protection Act, Miss. Code Ann. § 71-11-1, et seq. and any breach of Mississippi Employment Protection Act may subject Licensor to the consequences set forth under Miss. Code Ann § 71-11-3.
- 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.

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 and/or students 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 firm 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.

13.3 In the event that this Agreement's Scope of Services requires customization and/or implementation of software for which Licensee is required to pay a license fee upon execution of this Agreement, and if Licensor fails to complete said customization and/or implementation as required thereby precluding Licensee's use of the subject software, Licensor shall refund in full the price paid by Licensee to Licensor upon termination of this Agreement.

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: David C. Johnson, Executive Director, Mississippi Department of Information Technology Services, 3771 Eastwood Drive, Jackson, Mississippi 39211. Licensee's address for notice is: Mark Allen, CIO, Mississippi Department Human Services, 200 South Lamar Street, Jackson, Mississippi 39201. The Licensor's address for notice is: **VENDOR NOTICE NAME, TITLE, VENDOR NAME, ADDRESS, CITY, STATE ZIP**. 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's 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 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 documents marked confidential in Licensor's response to a RFP or LOC (if applicable) 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's 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. 4488, 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. 4488 and written addenda, and
- D. Licensor's Proposal, as accepted by the State, in response to RFP No.4488.

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 allow Licensee to 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 COMPLIANCE WITH ENTERPRISE CLOUD AND OFFSITE HOSTING SECURITY

If applicable, Licensor and Licensee understand and agree that all products and services provided by the Licensor under this Agreement must allow Licensee to be and remain in compliance with the State of Mississippi's Enterprise Cloud and Offsite Hosting Security Policy. The parties understand and agree that the State's Enterprise Cloud and Offsite Hosting Security Policy is based on industry-standard best practices, policy, and guidelines at the time of contract execution and augments the Enterprise Security Policy. 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.

Public and Non-Public Data Terms and Conditions are listed in Exhibit C Data Terms and Conditions below.

ARTICLE 40 SOFTWARE SUPPORT AND MAINTENANCE

40.1 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 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.

40.2 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 in Exhibit B Service Level Assessments below.

ARTICLE 41 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 42 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.ms.gov>

ARTICLE 43 CHANGE ORDER RATE AND PROCEDURE

43.1 It is understood that the State may, at any time by a written order, make changes in the scope of the project. No changes in scope are to be conducted or performed by the Licensor except by the express written approval of the State. The Licensor shall be obligated to perform all changes requested by the Licensee, which have no price or schedule effect.

- 43.2 The Licensor shall have no obligation to proceed with any change that has a price or schedule effect until the parties have mutually agreed in writing thereto. Neither the State nor the Licensor shall be obligated to execute such a change order; and if no such change order is executed, the Licensor shall not be obliged or authorized to perform services beyond the scope of this Agreement and the contract documents. All executed change orders shall be incorporated into previously defined deliverables.
- 43.3 With respect to any change orders issued in accordance with this Article, the Licensor shall be compensated for work performed under a change order according to the hourly change order rate of specified in the attached Exhibit A. If there is a service that is not defined in the change order rate, the Licensor and the State will negotiate the rate. The Licensor agrees that this change order rate shall be a "fully loaded" rate, that is, it includes the cost of all materials, travel expenses, per diem, and all other expenses and incidentals incurred by the Licensor in the performance of the change order. The Licensor shall invoice the Licensee upon acceptance by the Licensee of all work documented in the change order, and the Licensee shall pay invoice amounts on the terms set forth in this Agreement.
- 43.4 Upon agreement of the parties to enter into a change order, the parties will execute such a change order setting forth in reasonable detail the work to be performed thereunder, the revisions necessary to the specifications or performance schedules of any affected project work plan, and the estimated number of professional services hours that will be necessary to implement the work contemplated therein. The price of the work to be performed under any change order will be determined based upon the change order rate; however, the change order will be issued for a total fixed dollar amount and may not be exceeded regardless of the number of hours actually expended by the Licensor to complete the work required by that change order. The project work plan will be revised as necessary.
- 43.5 The Licensor will include in the progress reports delivered under this Agreement, the status of work performed under all then-current change orders.
- 43.6 In the event the Licensor and the State enter into a change order which increases or decreases the time required for the performance of any part of the work under this Agreement, the Licensor shall submit to the Licensee a revised version of the project work plan, clearly indicating all changes, at least five (5) working days prior to implementing any such changes.
- 43.7 The Licensee shall promptly review all revised project work plans submitted under this Agreement, and shall notify the Licensor of its approval or disapproval, in whole or in part, of the proposed revisions, stating with particularity all grounds for any disapproval, within ten (10) working days of receiving the revisions from the Licensor. If the Licensee fails to respond in such time period or any extension thereof, the Licensee shall be deemed to have approved the revised project work plan.

ARTICLE 44 ESCROW OF SOURCE CODE

- 44.1 With the execution of this Agreement, the Licensor shall place and maintain a current copy of the data dictionary, Documentation, object code, and source code in escrow and shall furnish Licensee with a copy of the escrow agreement and the name and address of the

agent. The escrow agreement shall authorize the escrow agent to release, at no cost to Licensee, the data dictionary, Documentation, object code, and source code to Licensee if and when the Licensee is deemed to have a right under this article. The Licensor shall pay all costs of providing and maintaining the escrow agreement, including the fees of the escrow agent. The copy of the source code placed in escrow shall be reproduced and maintained on magnetic tape or disk using a commonly accepted data recording protocol. Program documentation sufficient to allow a competent programmer to use and maintain the source code programs must accompany the source code. When a change is made to the object code or source code by or on behalf of the Licensor during the term of the escrow agreement, the revised code, including the change, shall be delivered to the escrow agent not later than thirty (30) calendar days after the change is effected by or on behalf of the Licensor.

- 44.2** Provided that Licensee is not then in substantial default under this Agreement, the Licensor shall provide to Licensee, at no cost and within ten (10) calendar days after receipt of Licensee's written request for it, one (1) complete copy of the data dictionary, Documentation, object code, and source code used in the preparation of the Software and custom modifications to the source code and object code as a result of this Agreement, brought up to date as of the date of delivery of such source code to Licensee, upon the occurrence of any of the following events: (a) Licensor's cessation, for any reason, to do business; (b) Bankruptcy, receivership, insolvency, reorganization, dissolution, liquidation or other similar proceedings are instituted by or against Licensor; (c) A general assignment for the benefit of creditors by Licensor; (d) Licensor discontinues providing maintenance of the software in accordance with its obligations pursuant to the Agreement; (e) Licensor has breached (and if subject to a cure period, has not cured such breach within such period) a material term or condition of this Agreement or the Escrow Agreement; (f) Licensor refused or fails to renew its maintenance and support obligations under this Agreement after Licensee has requested such renewal; or (g) any or all material parts of the source code or object code are generally made available, with or without additional cost, to other users of comparable software.
- 44.3** Upon Licensee's written request, the escrow agent shall promptly conduct, at Licensor's expense, a Verification of the deposit materials in accordance with Licensee's requirements and with the requirements herein stated. "Verification" as used herein, means a procedure or process to determine the accuracy, completeness, sufficiency and quality of the deposit materials at a level of detail reasonably requested by Licensee. Verification may include, as required by Licensee (or by a third party on behalf of Licensee), file listing, compilation, size comparison, function comparison and on-line comparison services. A copy of the verification results shall be immediately provided by the escrow agent to the State.
- 44.4** Licensee (or a third party on behalf of Licensee) reserves the right from time to time and at any time to cause Verification of the deposit materials and to examine the deposit materials to verify conformance to the requirements of RFP No. 4488, the Licensor's Proposal, as accepted by Licensee, in response thereto, and this Agreement, all at Licensee's expense. Except as otherwise required by Licensee (or by a third party on behalf of Licensee and reasonably approved by Licensor), all Verification tasks shall be performed solely by employees of escrow agent and, at Licensee's option, of Licensee or a third party engaged by Licensee (subject to Licensor's reasonable approval of Licensee),

without interference from Licensor; provided, however, that if and to the extent requested by Licensee (or by a third party on behalf of Licensee), Licensor shall at Licensor's expense provide to the escrow agent and/or Licensee all reasonably necessary assistance and cooperation in connection with the performance of any Verification. Any Technical Verification performed by the escrow agent or a third party engaged by the escrow agent (and acceptable to Licensee) shall be performed in a good, workmanlike, timely and professional manner by qualified persons fully familiar with the requirements, materials and technology involved in performing such Verifications.

- 44.5** Licensor shall, at its expense, implement a procedure whereby the escrow agent shall notify Licensee of all deposits to the software escrow based on software release updates. It is understood and agreed that updates shall occur at least on a quarterly basis.

ARTICLE 45 LIQUIDATED DAMAGES

It is agreed by the parties hereto that time is of the essence, and that in the event of a delay in the satisfactory completion and acceptance of the services provided for herein, damage shall be sustained by Customer. In the event of a delay as described herein, Contractor shall pay Customer, within five (5) calendar days from the date of receipt of notice, fixed and liquidated damages of \$500.00 per day for each calendar day of delay caused by Contractor. Customer may offset amounts due it as liquidated damages against any monies due Contractor under this Agreement. Customer will notify Contractor in writing of any claim for liquidated damages pursuant hereto on or before the date Customer deducts such sums from money payable to Contractor. Any liquidated damages assessed are in addition to and not in limitation of any other rights or remedies of Customer.

ARTICLE 46 PERFORMANCE BOND

As a condition precedent to the formation of this Agreement, the Seller must provide a performance bond as herein described. To secure the Seller's performance, the Seller shall procure, submit to the State with this executed Agreement, and maintain in effect at all times during the course of this Agreement a performance bond in the total amount of this Agreement. 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 performance bond and shall identify a contact person to be notified in the event the State is required to take action against the bond. The term of the performance bond shall be concurrent with the term of this Agreement, with the exception of post-warranty maintenance and support, and shall not be released to Seller until final acceptance of all products and deliverables required herein or until the warranty period, if any, has expired, whichever occurs last. If applicable, and at the State's sole discretion, the State may, at any time during the warranty period, review Seller's performance and performance of the products/services delivered and determine that the Seller's performance bond may be reduced or released prior to expiration of the full warranty period. The performance bond shall be procured at Seller's expense and be payable to Purchaser. The cost of the bond may be invoiced to the Purchaser after project initiation only if itemized in the Seller's cost proposal and in the attached Exhibit A. Prior to approval of the performance bond, the State reserves the right to review the bond and require Seller to substitute an acceptable bond in such form as the State may reasonably require. The premiums on such bond shall be paid by Seller. The bond must specifically refer to this Agreement and shall bind the surety to all of the terms and conditions of this Agreement. If the Agreement is terminated due to Seller's failure to comply with the terms thereof, Purchaser may claim against the performance bond.

ARTICLE 47 RETAINAGE

To secure the Licensor's performance under this Agreement, the Licensor agrees that the Licensee shall hold back as retainage fifteen percent (15%) of each amount payable, including amounts payable under Change Orders, under this Agreement. The retainage amount will continue to be held until final acceptance of all deliverables by the Licensee.

ARTICLE 48 PERSONNEL ASSIGNMENT GUARANTEE

Contractor guarantees that the personnel assigned to this project will remain a part of the project throughout the duration of the Agreement as long as the personnel are employed by the Contractor and are not replaced by Contractor pursuant to the third paragraph of the Article herein titled "Employment Status". Contractor further agrees that the assigned personnel will function in the capacity for which their services were acquired throughout the life of the Agreement, and any failure by Contractor to so provide these persons shall entitle the State to terminate this Agreement for cause. Contractor agrees to pay the Customer fifty percent (50%) of the total contract amount if any of the assigned personnel is removed from the project prior to the ending date of the contract for reasons other than departure from Contractor's employment or replacement by Contractor pursuant to the third paragraph of the Article herein titled "Employment Status". Subject to the State's written approval, the Contractor may substitute qualified persons in the event of the separation of the incumbents therein from employment with Contractor or for other compelling reasons that are acceptable to the State, and in such event, will be expected to assign additional staff to provide technical support to Customer within thirty calendar days or within such other mutually agreed upon period of time, or the Customer may, in its sole discretion, terminate this Agreement immediately without the necessity of providing thirty (30) days notice. The replacement personnel shall have equal or greater ability, experience and qualifications than the departing personnel, and shall be subject to the prior written approval of the Customer. The Contractor shall not permanently divert any staff member from meeting work schedules developed and approved under this Agreement unless approved in writing by the Customer. In the event of Contractor personnel loss or redirection, the services performed by the Contractor shall be uninterrupted and the Contractor shall report in required status reports its efforts and progress in finding replacements and the effect of the absence of those personnel.

ARTICLE 49 FEDERAL CONTRACT PROVISIONS

This Agreement is funded in whole or in part by federal funds. Therefore, contractor, including any subcontractor at any tier, must comply with all federal clauses and provisions, including the following, as applicable. Further, Contractor must comply with all applicable federal laws and regulations, including but not limited to, 45 C.F.R. Part 75.

49.1 Equal Employment Opportunity. As applicable, the contractor agrees to abide by the terms provided under 41 C.F.R. Part 60, including, 41 CFR Part §§ 60-1.3 & 1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. Part, §§ 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

49.2 Davis-Bacon Act, as amended (40 U.S.C. §§3141-3148).

As applicable, the contractor agrees to comply with the Davis-Bacon Act (40 U.S.C. §§3141-3144, and §§3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination.

49.3 The Copeland "Anti-Kickback" Act (40 U.S.C. §3145).

If applicable, in accordance with The Copeland "Anti-Kickback" Act (40 U.S.C. §3145), as supplemented by Department of Labor regulations (29 C.F.R. Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). Further, the contractor is prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

49.4 Contract Work Hours and Safety Standards Act (40 U.S.C. §§3701-3708).

If applicable, contractor agrees to comply with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

49.5 Rights to Inventions Made Under a Contract or Agreement

"If the Federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R. Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency."

49.6 The Clean Air Act, (42 U.S.C §§7401-7671q) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended.

The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§7401-7671q) and the Federal Water Pollution Control Act, as amended (33 U.S.C. §§ 1251-1387).

49.7 Debarment and Suspension (Executive Orders 12549 and 12689).

"A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. 180 that implement Executive Orders 12549 (3 C.F.R. Part 1986 Comp., p. 189) and 12689 (3 C.F.R. Part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549."

49.8 Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

"Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. §1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award."

49.9 Procurement of Recovered Materials (45 C.F.R. § 75.331).

Contractor agrees to comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

49.10 Access to Records (45 C.F.R. § 75.364).

(a) **Records of non-Federal entities.** The Contractor agrees that the HHS awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives, shall have the right of access to any documents, papers, or other records of the Contractor pursuant to this Agreement which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. This right also includes timely and reasonable access to the Contractors personnel for the purpose of interview and discussion related to such documents.

(b) **Only under extraordinary and rare circumstances would such access include review of the true name of victims of a crime.** Routine monitoring cannot be

considered extraordinary and rare circumstances that would necessitate access to this information. When access to the true name of victims of a crime is necessary, appropriate steps to protect this sensitive information must be taken by both the non-Federal entity and the HHS awarding agency. Any such access, other than under a court order or subpoena pursuant to a bona fide confidential investigation, must be approved by the head of the HHS awarding agency or delegate.

(c) **Expiration of right of access.** The rights of access in this section are not limited to the required retention period but last as long as the records are retained.

49.11 Access to Systems and Records (45 C.F.R. § 95.615)

The Contractor must allow the Department access to the system in all of its aspects, including pertinent state staff, design developments, operation, and cost records of contractors and subcontractors at such intervals as are deemed necessary by the Department to determine whether the conditions for approval are being met and to determine the efficiency, economy and effectiveness of the system.”

49.12 Software and Ownership Rights (45 C.F.R. § 95.617)

(a) **“General.** The State or local government will have all ownership rights in software or modifications thereof and associated documentation designed, developed or installed with Federal financial participation under this subpart.

(b) **Federal license.** The Department reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for Federal Government purposes, such software, modifications, and documentation.

(c) **Proprietary software.** Proprietary operating/vendor software packages which are provided at established catalog or market prices and sold or leased to the general public shall not be subject to the ownership provisions in paragraphs (a) and (b) of this section. FFP is not available for proprietary applications software developed specifically for the public assistance programs covered under this subpart.”

49.13 Americans with Disabilities Act (28 CFR Part 35, Title II, Subtitle A).

1The Contractor agrees to comply with the Americans with Disabilities Act (28 C.F.R. § 35.101). This Part implements subtitle A of Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. 12131-12134), as amended by the ADA Amendments Act of 2008 (ADA Amendments Act) (Pub. L. 110-325, 122 Stat. 3553 (2008)), which prohibits discrimination on the basis of disability by public entities. Title II applies to State and local government entities, and, in subtitle A, protects qualified individuals with disabilities from discrimination on the basis of disability in services, programs, and activities provided by State and local government entities. Title II extends the prohibition on discrimination established by section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. §794, to all activities of State and local governments regardless of whether these entities receive Federal financial assistance. The primary purpose of the ADA Amendments Act is to make it easier for people with disabilities to obtain protection under the ADA. Consistent with the ADA Amendments Act’s purpose of reinstating a broad scope of protection under the ADA, the definition of “disability” in this part shall be construed broadly in favor of expansive coverage to the maximum extent permitted by the terms of the ADA. The primary object

of attention in cases brought under the ADA should be whether entities covered under the ADA have complied with their obligations and whether discrimination has occurred, not whether the individual meets the definition of "disability." The question of whether an individual meets the definition of "disability" under this part should not demand extensive analysis."

49.14 Drug Free Workplace Act of 1988 (48 C.F.R. § 52.223-6)(b - d) - As prescribed by 48 CFR 23.505.

- (a) The Contractor, if other than an individual, shall—within 30 days after award (unless a longer period is agreed to in writing for contracts of 30 days or more performance duration); or as soon as possible for contracts of less than 30 days performance duration—
- 1) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;
 - 2) Establish an ongoing drug-free awareness program to inform such employees about—
 - i. The dangers of drug abuse in the workplace;
 - ii. The contractor's policy of maintaining a drug-free workplace;
 - iii. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
 - 3) Provide all employees engaged in performance of the contract with a copy of the statement required by subparagraph (b)(1) of this clause;
 - 4) Notify such employees in writing in the statement required by subparagraph (b)(1) of this clause that, as a condition of continued employment on this contract, the employee will—
 - i. Abide by the terms of the statement; and
 - ii. Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than 5 days after such conviction.
 - 5) Notify the Contracting Officer in writing within 10 days after receiving notice under subdivision (b)(4)(ii) of this clause, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee;
 - 6) Within 30 days after receiving notice under subdivision (b)(4)(ii) of this clause of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:
 - i. Taking appropriate personnel action against such employee, up to and including termination; or
 - ii. Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a

Federal, State, or local health, law enforcement, or other appropriate agency; and

7) Make a good faith effort to maintain a drug-free workplace through implementation of subparagraphs (b)(1) through (b)(6) of this clause.

(b) The Contractor, if an individual, agrees by award of the contract or acceptance of a purchase order, not to engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance while performing this contract.

(c) In addition to other remedies available to the Government, the Contractor's failure to comply with the requirements of paragraph (b) or (c) of this clause may, pursuant to FAR 23.506, render the Contractor subject to suspension of contract payments, termination of the contract for default, and suspension or debarment.”

CONFLICTS OF INTEREST STATEMENT

The Contractor shall comply with the federal Conflict of Interest requirements of 45 C.F.R. § 75.112, (a) & (b) 45 C.F.R. § 75.327, and 45 C.F.R. § 75.328.

The Contractor must disclose in writing any potential conflict of interest to the MDHS.

49.15 RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

The Contractor must comply with all applicable requirements of (37 CFR Part 401), “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the OEA. The interpretation of this clause and this Agreement is subject to the definitions located at 37 CFR § 401.14.

49.16 Full and Open Competition (45 C.F.R. § 75.328).

(a) All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

(1) Placing unreasonable requirements on firms in order for them to qualify to do business;

(2) Requiring unnecessary experience and excessive bonding;

(3) Noncompetitive pricing practices between firms or between affiliated companies;

(4) Noncompetitive contracts to consultants that are on retainer contracts;

(5) Organizational conflicts of interest;

(6) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and

- (7) Any arbitrary action in the procurement process.
- (b) The non-Federal entity must conduct procurements in a manner that prohibits the use of statutory or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.
- (c) The non-Federal entity must have written procedures for procurement transactions. These procedures must ensure that all solicitations:
- (1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and
 - (2) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
- (d) The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.

49.17 45 C.F.R. § 75.330 - Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.

- (a) The Contractor must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.
- (b) **Affirmative steps must include:**
- (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
 - (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
 - (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

- (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (b)(1) through (5) of this section.

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**

VENDOR NAME

By: _____
Authorized Signature

By: _____
Authorized Signature

Printed Name: David C. Johnson

Printed Name: _____

Title: Executive Director

Title: _____

Date: _____

Date: _____

EXHIBIT A
PAYMENT SCHEDULE

EXHIBIT B
Service Level Assessments

Table 26: Contractor DDI SLAs

SLA #	SLA Name	Performance Standard	Penalty
SLA01	Project Work Plan and Schedule	<p>The Contractor must develop, manage, and keep current a Project Work Plan and Schedule throughout the project. The Project Work Plan and Schedule must show summary tasks for all project phases and sub-phases. The Project Work Plan and Schedule must show detailed work tasks with dependencies, level of effort labor estimates, and percent complete for ninety (90) calendar days in the future.</p> <p>The Contractor must include all MDHS' tasks the Contractor expects MDHS staff to participate in or wholly own. MDHS' tasks must clearly show whether the task is on the project critical path.</p> <p>All project deliverables must have associated development and revision tasks, as well as tasks for submission and final acceptance. The Contractor must clearly identify additional tasks that specify the start/finish and duration of MDHS' initial and final deliverable review.</p> <p>The Contractor must update the Project Work Plan and Schedule so that it is current and accurate.</p> <p>The Contractor must correct historical and future tasks and milestones with significant errors, omissions, and inaccuracies as identified by</p>	<p>Failure to remedy within ten (10) business days of notification will result in a penalty of \$5,000 per month. The penalty will start the month following MDHS' notification to the Contractor of the schedule corrections required and continue until the requested schedule changes are approved by MDHS.</p>

SLA #	SLA Name	Performance Standard	Penalty
		MDHS within ten (10) business days of notification.	
SLA02	Project Deliverables	<p>The Contractor must provide deliverables in alignment with agreed-upon levels of completeness and quality, as defined in the DED, and otherwise achieve the agreed-upon purpose of the deliverable in accordance with the Contract.</p> <p>The Contractor must complete all deliverables in accordance with the approved project schedule. The Contractor must submit requests for changes to the original MDHS-accepted project schedule, and MDHS must approve changes at least five (5) days prior to the initial deliverable submission date.</p> <p>MDHS will reject deliverables that do not align with the DED and do not contain the agreed-upon content (as specified by MDHS in the associated Deliverable Acceptance Form), or that are more than two (2) weeks late in delivery, or that contain significant spelling, grammatical, and formatting errors.</p>	<p>Failure to resubmit a deliverable within five (5) days of rejection and/or make the changes requested by MDHS. MDHS will calculate and assess a penalty of \$1,000 for each calendar day, or part of, with a monthly cap of \$10,000 per deliverable.</p>
SLA03	Key Personnel	<p>The Contractor must develop and retain qualified and experienced staff for the duration of the Contract. MDHS recognizes that some staff turnover is inevitable, but expects that replacement key personnel are sufficiently qualified and experienced to continue DDI and O&M support without disruption in service. MDHS will use the minimum number of years of directly relevant experience, minimum</p>	<p>Failure to fill key personnel roles with equivalent staff after a thirty (30)-day grace period will result in a monthly penalty.</p> <p>MDHS will not prorate monthly penalties by the days vacant during the month:</p> <p>Key Personnel:</p> <ul style="list-style-type: none"> • Project Manager \$20,000/month

SLA #	SLA Name	Performance Standard	Penalty
		<p>education level, and any other qualifications (certifications, specialized training, skills, etc.) specified in the Contractor's proposal to the RFP for each key personnel member as the standard that all subsequent replacement staff members must meet. Regardless of qualifications, one (1) staff member may not temporarily or permanently occupy more than one (1) key personnel role in the same project phase (i.e., DDI and O&M).</p> <p>If a permanent, qualified replacement is not available, then the Contractor must name an interim replacement within ten (10) business days of the Contractor being informed of a key personnel position departure. The Contractor must assign a permanent replacement staff member to the Contract full-time within thirty (30) business days after the interim replacement is assigned. The permanent replacement must meet the minimum qualifications for the position as described in the Contractor's proposal to the RFP.</p>	<ul style="list-style-type: none"> Other Key Roles \$10,000/month
SLA04	Defect Remediation	<p>The Contractor must develop and provide a monthly Defect Remediation Report to include, but not be limited to:</p> <ul style="list-style-type: none"> The number of resolved and unresolved (not fixed in production) defects for each defect category The start date for each defect 	<p>Failure to resolve defects in accordance with the defect aging performance standards will result in a penalty. MDHS will assess penalty amounts relative to the defect severity category when a defect exceeds aging performance standards as of the end of the final calendar day each month:</p>

SLA #	SLA Name	Performance Standard	Penalty
		<ul style="list-style-type: none"> The number of defects that exceeded the aging performance standards for resolution within the reporting period 	Severity, Maximum Age, Penalty per each Defect per Occurrence S1, Critical, >1 hour, \$10,000 or cost of actual damages, whichever is higher S2, High, >24 hours, \$7,500 S3, Medium, >48 hours, \$5,000 S4, Low, >6 days, \$2,500

O&M SLAs

Table 27 provides O&M SLAs that MDHS will hold the Contractor accountable for during the term of the O&M phase of the Contract.

Table 27: Contractor O&M SLAs

SLA #	SLA Name	Performance Standard	Penalty
SLA05	System Availability	<p>The Contractor must maintain a high degree of MDHS System availability for users and clients who rely on web and other online components to perform their daily business functions. The Contractor must help ensure critical system components (e.g., application entry, client portal sign-on, etc.) are available to clients and workers at all times per week (12:00 a.m. Monday – 11:59 p.m. Sunday) or application processing (e.g., document generation, document management, eligibility determination, and benefit issuance).</p> <p>The Contractor must report on the following information in the monthly O&M Status Report:</p> <ul style="list-style-type: none"> Each segment of downtime minutes by day during the scheduled availability period Components affected by each segment of downtime Environment(s) involved in downtime (test, training, staging, etc.) Weekly total of downtime 	<p>Failure to maintain availability of critical MDHS System components at an uptime rate of 99.5% or greater per week will result in a penalty of \$1,000 for each minute below the 99.5% uptime requirement. MDHS will assess an accumulated penalty for any given month of no more than \$100,000 for the month.</p> <p>At its discretion, MDHS may choose not to assess a penalty for any portion of unplanned downtime that MDHS deems is not a result of Contractor performance failure (e.g., sustained power outage).</p>

SLA #	SLA Name	Performance Standard	Penalty
		<p>minutes occurring for the week during scheduled availability periods</p> <ul style="list-style-type: none"> Cause of downtime 	
SLA06	Response Time	<p>The Contractor must ensure MDHS System response times do not exceed 1,000 milliseconds for more than three (3) continuous minutes during normal business hours. To measure system response time, the Contractor will use a performance monitoring tool that reports client delay, network delay, server delay, and application delay as separate statistics.</p> <p>On a weekly basis, the Contractor will develop and provide to MDHS a Weekly Application Response Time Report showing the prior week's application response time, including but not limited to:</p> <ul style="list-style-type: none"> Each segment of MDHS System response times that exceeded the standard of 1,000 milliseconds for more than three (3) minutes Components affected by the system response time delays Total number of minutes during the period where system response times exceeded the standard 	<p>Failure to ensure application response times do not exceed 1,000 milliseconds for more than three (3) minutes will result in a penalty.</p> <p>MDHS will assess a penalty of \$500 for each minute of sustained delay time in excess of 1,000 milliseconds beyond three (3) continuous minutes of application delay.</p>
SLA07	Disaster Recovery	<p>The Contractor must ensure the backup data center and MDHS System are fully operational within two (2) hours of the declaration of a disaster event by a duly authorized representative of either party, based upon determination that the production environment will be unavailable for a period of more than eight (8) hours during normal business hours.</p> <p>The definition of fully operational includes, but is not limited to:</p>	<p>Failure to provide a fully operational backup data center and MDHS System within two (2) hours of the declaration of a disaster event will result in a penalty.</p> <p>MDHS will assess a penalty that coincides with penalty provisions stated in SLA05 for all production downtime that occurs after the two (2)-hour recovery target</p>

SLA #	SLA Name	Performance Standard	Penalty
		<ul style="list-style-type: none"> • Clients can enter application data and submit applications • Workers can process applications and disposition a case • MDHS System and worker-generated communications are functioning properly • Documents can be uploaded and displayed • All external interfaces necessary to process applications are operational <p>The Contractor is responsible for all costs associated with manual and automated restoration of the data and MDHS System software at the disaster recovery site and restoring the production environment.</p>	<p>date and time.</p> <p>The Contractor will also be responsible for any penalties or fines assessed to MDHS, the cost of MDHS and Contractor litigation, court judgments, and awards resulting from the incident, if the disaster event is determined to have been caused by, or due to negligence on the part of, the Contractor.</p> <p>MDHS System failures caused by MDHS or other authorized third parties will not result in a penalty to the Contractor.</p>
SLA08	Security	<p>The Contractor must not allow MDHS System failure or exposure, release, or loss of PII and/or data protected under federal regulations.</p> <p>The Contractor must contain MDHS System data and minimize downtime resulting from such exposure, release, or loss of PII or protected data.</p> <p>An authorized representative of the Contractor or of MDHS must declare an Acute System Interruption (ASI) event when a determination is made that an attack on any MDHS System environments containing PII or protected data is imminent, in progress, or has been breached by an unauthorized third party.</p> <p>Upon declaration of an ASI event, the Contractor and MDHS will mutually develop a corrective action plan (CAP) that might or might not include transition to the disaster recovery site, or act to take one (1) or more of the MDHS System environments offline,</p>	<p>Failure to secure PII or protected data under federal regulations contained in any MDHS System environment will result in a penalty.</p> <p>MDHS will assess a penalty that coincides with penalty provisions stated in SLA05 for all production downtime resulting from a security incident.</p> <p>The Contractor will also be responsible for all recovery costs, federal and State penalties, court judgments, and associated financial awards to clients in the event of such exposure, release, or loss.</p>

SLA #	SLA Name	Performance Standard	Penalty
		performing system restore(s) and other actions deemed necessary to protect the system and data.	
SLA09	O&M Key Personnel	<p>The Contractor must develop and retain qualified and experienced staff for the duration of the Contract, in order to consistently provide a high level of O&M support for the MDHS System. MDHS recognizes that some staff turnover is inevitable, but expects that replacement key personnel are sufficiently qualified and experienced to continue MDHS System O&M support without disruption in service.</p> <p>MDHS will consider the Contractor's proposal to the RFP for each key personnel member's minimum number of years of directly relevant experience, minimum education level, and any other qualifications (certifications, specialized training, skills, etc.) as the standard that all subsequent replacement staff members must meet. MDHS will consider any key personnel position filled with an unqualified staff member as being under-filled, and so, not meeting the standard as a qualified replacement.</p> <p>Regardless of qualifications, one (1) staff member cannot temporarily or permanently occupy more than one (1) key role in the same project phase (DDI, O&M).</p> <p>The Contractor must name an interim replacement within ten (10) business days of being informed of a key personnel position departure and have a permanent replacement staff member assigned full-time to the Contract within thirty (30) business days after the position is vacated. The permanent personnel replacement must meet the minimum qualifications for the position as described in the Contractor's proposal to the RFP.</p>	<p>Failure to fill key personnel roles with equivalent staff after a thirty (30)-day grace period will result in a monthly penalty.</p> <p>MDHS will not prorate monthly penalties by the days vacant during the month:</p> <ul style="list-style-type: none"> • O&M key personnel point of contact, \$15,000/month • Key personnel positions, \$5,000/month <p>MDHS will not prorate monthly penalties according to the days a position is vacant or under-filled. MDHS will assess a penalty for the full month regardless of the number of days the position is vacant or under-filled during the month.</p>

SLA #	SLA Name	Performance Standard	Penalty
SLA10	Reporting	<p>The Contractor must ensure reporting meets the following availability performance standards:</p> <ul style="list-style-type: none"> • Daily reports are accessible to users by 7 a.m. Central Time on the next business day • Weekly reports are accessible to users by 7 a.m. Central Time on the next business day after the scheduled run • Monthly reports are accessible to users by 7 a.m. Central Time on the next business day following the end of the month • Quarterly reports are accessible to users by 7 a.m. Central Time on the next business day following the end of the quarter <ul style="list-style-type: none"> • Annual reports are accessible to users by 7 a.m. Central Time on the next business day following end of the year (federal fiscal year [FFY], State fiscal year [SFY], and other annual cycles) • Federal and State reports and data files are produced and submitted as required per regulation and by MDHS 	<p>Failure to meet reporting availability performance standards within four (4) hours of the scheduled report delivery time will result in a penalty.</p> <p>MDHS will assess a penalty for each scheduled required report not provided within four (4) hours of the scheduled delivery time according to the following scale:</p> <ul style="list-style-type: none"> • \$500 per occurrence for each Daily, Weekly, Monthly, and Quarterly Report • \$1,000 per occurrence for each Annual and Federal Report
SLA11	Critical Incident Response	<p>The Contractor must notify MDHS of production problems identified as S1 (Critical) within fifteen (15) minutes of the time the Contractor becomes aware or is notified of the problem.</p> <p>The Contractor must then provide MDHS an initial assessment of the S1 (Critical) production problem within sixty (60) minutes of initial notification, either verbally or by email.</p> <p>The Contractor must ensure resolution of the S1 (Critical) production problem</p>	<p>Failure to meet the timelines for initial notification, initial assessment, resolution, and status reporting will result in a penalty of \$3,000 per day, per incident for the Contractor's failure to meet S1 incident notification and resolution time frames.</p>

SLA #	SLA Name	Performance Standard	Penalty
		<p>within two (2) calendar days of initially notifying MDHS of the problem.</p> <p>The Contractor must report incident status to MDHS every four (4) hours from at 6 a.m. through 10 p.m. Central Time until the incident is resolved.</p>	
SLA12	Corrective Action Plans	<p>When the Contractor fails to achieve an SLA performance standard two (2) out of three (3) consecutive months, MDHS will request that the Contractor submit a written CAP to MDHS.</p> <p>The Contractor must submit a written CAP no later than ten (10) business days from the date that MDHS requests the CAP. MDHS will consider extensions to the ten (10)-day CAP timeline on a case-by-case basis.</p> <p>The CAP must include the following:</p> <ul style="list-style-type: none"> ○ A list of the deficient SLA(s) ○ A full explanation of each SLA failure ○ A root cause analysis of each SLA failure ○ A client, worker, and/or technical impact assessment (past and future) of the SLA failure ○ The Contractor-proposed corrective action that includes a timeline and resources required (Contractor and MDHS staff, equipment, software, etc.) <p>MDHS must approve the Contractor's CAP prior to the Contractor implementing the proposed corrective action.</p>	<p>Failure to meet the submission timeline for a requested CAP will result in a penalty.</p> <p>MDHS will assess a penalty of \$1,000 per day that the CAP submission exceeds the submission deadline of ten (10) days (or extended timeline, if MDHS has approved an extension for submission of the CAP).</p>
SLA13	O&M Requirements	<p>The Contractor must provide a high level of O&M services for the MDHS System for the duration of the O&M Contract. MDHS has specified its understanding of what a high level of</p>	<p>Failure to comply with five (5) or more O&M requirements in any given month will result in a</p>

SLA #	SLA Name	Performance Standard	Penalty
		<p>O&M services entails in O&M requirements. The Contractor must fulfill these O&M requirements.</p> <p>MDHS will monitor the Contractor's compliance with these ninety (90) O&M requirements and provide notification to the Contractor in a monthly report that specifies all requirements the Contractor has failed to meet during the month.</p> <p>The Contractor must remedy the failure to comply with the reported O&M requirements during the following month.</p> <p>Continued failure of any of the notified requirements in the following month might result in a penalty assessment.</p>	<p>penalty.</p> <p>MDHS will assess a penalty of \$2,000 for each of the five (5) or more requirements that are noncompliant in the month following notification.</p>
SLA14	Technical Debt	<p>The Contractor must maintain all third-party software at a release level no older than one (1) release prior to the current production release in the production environment.</p> <p>In addition, the Contractor must annually use an industry-standard code analysis program approved by MDHS to inspect and identify poor coding practices, dead code, antiquated and previously deprecated code, functions, method, and APIs. The Contractor must develop a code correction plan for the identified problems.</p> <p>The Contractor must specify the schedule for performing the upgrades and code corrections in the O&M schedule.</p> <p>The Contractor must include the cost of this remediation work in its proposed annual O&M price.</p>	<p>Failure to maintain all third-party software products at the current minus one (1) release level will result in a penalty of \$5,000 per month for each third-party software that is not current in the production environment.</p> <p>Failure to annually identify poor and antiquated coding practices or failure to correct them within six (6) months of identification will result in an annual penalty of \$250,000.</p>
SLA15	Batch Processes	<p>The Contractor must ensure all batch processes, including interfaces, complete by 7 a.m. Central Time on the next business day.</p>	<p>Failure to meet the completion performance standard will result in a penalty.</p> <p>MDHS will assess a penalty</p>

SLA #	SLA Name	Performance Standard	Penalty
			<p>for each scheduled required report not provided within four (4) hours of the scheduled delivery time according to the following scale:</p> <ul style="list-style-type: none"> • \$500 per occurrence for each daily, weekly, monthly, and batch process. • \$1,000 per occurrence for each annual and Federal batch process.

EXHIBIT C Data Terms and Conditions

PUBLIC DATA OWNED BY THE STATE OF MISSISSIPPI

Per rule 1.4 of the State of Mississippi Enterprise Cloud and Offsite Hosting Security Policy, each agency must ensure that new contracts and amendments include the terms and conditions approved by ITS. The terms and conditions provided below are applicable for State of Mississippi data that the agency has categorized as **public** data.

Data Ownership: The State of Mississippi (State) shall own all right, title and interest in all data used by, resulting from, and collected using the services provided. The Service Provider shall not access State User accounts, or State Data, except (i) in the course of data center operation related to this solution, (ii) response to service or technical issues, (iii) as required by the express terms of this service, or (iv) at State 's written request.

Data Protection: Protection of personal privacy and sensitive data shall be an integral part of the business activities of the Vendor to ensure that there is no inappropriate or unauthorized use of State information at any time. To this end, the Vendor shall safeguard the confidentiality, integrity, and availability of State information and comply with the following conditions:

- a) At no time shall any data or processes which either belong to or are intended for the use of State or its officers, agents, or employees be copied, disclosed, or retained by the Service Provider or any party related to the Service Provider for subsequent use in any transaction that does not include the State .

Data Location: The Service Provider shall not store or transfer State data outside of the United States. This includes backup data and Disaster Recovery locations. The Service Provider will permit its personnel and contractors to access State data remotely only as required to provide technical support.

Notification of Legal Requests: The Service Provider shall contact the State upon receipt of any electronic discovery, litigation holds, discovery searches, and expert testimonies related to, or which in any way might reasonably require access to the data of the State. The Service Provider shall not respond to subpoenas, service of process, or other legal requests related to the State without first notifying the State unless prohibited by law from providing such notice.

Termination and Suspension of Service: In the event of termination of the contract, the Service Provider shall implement an orderly return of State data in CSV or XML or another mutually agreeable format. The Service Provider shall guarantee the subsequent secure disposal of State data.

- a) Suspension of services: During any period of suspension of this Agreement, for whatever reason, the Service Provider shall not take any action to intentionally erase any State data.
- b) Termination of any services or agreement in entirety: In the event of termination of any services or agreement in entirety, the Service Provider shall maintain the existing level of security as stipulated in the agreement and shall not take any action to intentionally erase any State data

for a period of 90 days after the effective date of the termination. After such 90 day period, the Service Provider shall have no obligation to maintain or provide any State data and shall thereafter, unless legally prohibited, dispose of all State data in its systems or otherwise in its possession or under its control as specified in section 7(d) below. Within this 90 day timeframe, vendor will continue to secure and back up State data covered under the contract.

- c) **Post-Termination Assistance:** The State 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.

Background Checks: The Service Provider shall conduct criminal background checks and not utilize any staff, including sub-contractors, to fulfill the obligations of the contract who have been convicted of any crime of dishonesty, including but not limited to criminal fraud, or otherwise convicted of any felony or any misdemeanor offense for which incarceration of a minimum of one (1) year is an authorized penalty. The Service Provider shall promote and maintain an awareness of the importance of securing the State's information among the Service Provider's employees and agents.

Security Logs and Reports: The Service Provider shall allow the State access to system security logs that affect this engagement, its data, and/or processes. This includes the ability to request a report of the activities that a specific user or administrator accessed over a specified period of time as well as the ability for an agency customer to request reports of activities of a specific user associated with that agency.

- These mechanisms should be defined up front and be available for the entire length of the agreement with the Vendor.

Contract Audit: The Service Provider shall allow the State to audit conformance including contract terms, system security and data centers as appropriate. The State may perform this audit or contract with a third party at its discretion at the State's expense.

Sub-contractor Disclosure: The Service Provider shall identify all of its strategic business partners related to services provided under this contract, including but not limited to, all subcontractors or other entities or individuals who may be a party to a joint venture or similar agreement with the Service Provider, who will be involved in any application development and/or operations.

Sub-contractor Compliance: Vendor must ensure that any agent, including a vendor or subcontractor, to whom the Vendor provides access agrees to the same restrictions and conditions that apply through this Agreement.

Processes and Procedures: The Service Provider shall disclose its non-proprietary security processes and technical limitations to the State so that the State can determine if and how adequate protection and flexibility can be attained between the State and the vendor. For example: virus checking and port sniffing — the State and the vendor shall understand each other's roles and responsibilities.

Operational Metrics: The Service Provider and the State shall reach agreement on operational metrics and document said metrics in the Service Level Agreement. Examples include but are not limited to:

- a) Advance notice and change control for major upgrades and system changes
- b) System availability/uptime guarantee/agreed-upon maintenance downtime
- c) Recovery Time Objective/Recovery Point Objective
- d) Security Vulnerability Scanning

NON-PUBLIC DATA OWNED BY THE STATE OF MISSISSIPPI

Per rule 1.4 of the State of Mississippi Enterprise Cloud and Offsite Hosting Security Policy, each agency must ensure that new contracts and amendments include the terms and conditions approved by ITS. The terms and conditions provided below are applicable for State of Mississippi data that the agency has categorized as **non-public** data.

Data Ownership: The State of Mississippi ("State") shall own all right, title and interest in all data used by, resulting from, and collected using the services provided. The Service Provider shall not access State User accounts, or State Data, except (i) in the course of data center operation related to this solution; (ii) response to service or technical issues; (iii) as required by the express terms of this service; or (iv) at State 's written request.

Data Protection: Protection of personal privacy and sensitive data shall be an integral part of the business activities of the Service Provider to ensure that there is no inappropriate or unauthorized use of State information at any time. To this end, the Service Provider shall safeguard the confidentiality, integrity, and availability of State information and comply with the following conditions:

- a) All information obtained by the Service Provider under this contract shall become and remain property of the State.
- b) At no time shall any data or processes which either belongs to or are intended for the use of State or its officers, agents, or employees be copied, disclosed, or retained by the Service Provider or any party related to the Service Provider for subsequent use in any transaction that does not include the State .

Data Location: The Service Provider shall not store or transfer State data outside of the United States. This includes backup data and Disaster Recovery locations. The Service Provider will permit its personnel and contractors to access State data remotely only as required to provide technical support.

Encryption:

- a) The Service Provider shall encrypt all non-public data in transit regardless of the transit mechanism.
- c) For engagements where the Service Provider stores non-public data, the data shall be **encrypted at rest**. The key location and other key management details will be discussed and negotiated by both parties. Where encryption of data at rest is not possible, the Service Provider must describe existing security measures that provide a similar level of protection. Additionally, when the Service Provider cannot offer encryption at rest, it must maintain, for the duration of the contract, cyber security liability insurance coverage for any loss resulting from a data breach. The policy shall comply with the following requirements:

- The policy shall be issued by an insurance company acceptable to the State and valid for the entire term of the contract, inclusive of any term extension(s).
- The Service Provider and the State shall reach agreement on the level of liability insurance coverage required.
- The policy shall include, but not be limited to, coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, and liability assumed under an insured contract.
- At a minimum, the policy shall include third party coverage for credit monitoring, notification costs to data breach victims; and regulatory penalties and fines.
- The policy shall apply separately to each insured against whom claim is made or suit is brought subject to the Service Provider's limit of liability.
- The policy shall include a provision requiring that the policy cannot be cancelled without thirty (30) days written notice.
- The Service Provider shall be responsible for any deductible or self-insured retention contained in the insurance policy.
- The coverage under the policy shall be primary and not in excess to any other insurance carried by the Service Provider.
- In the event the Service Provider fails to keep in effect at all times the insurance coverage required by this provision, the State may, in addition to any other remedies it may have, terminate the contract upon the occurrence of such event, subject to the provisions of the contract.

Breach Notification and Recovery: Unauthorized access or disclosure of non-public data is considered to be a security breach. The Service Provider will provide immediate notification and all communication shall be coordinated with the State. When the Service Provider or their sub-contractors are liable for the loss, the Service Provider shall bear all costs associated with the investigation, response and recovery from the breach including but not limited to credit monitoring services with a term of at least 3 years, mailing costs, website, and toll free telephone call center services. The State shall not agree to any limitation on liability that relieves a Contractor from its own negligence or to the extent that it creates an obligation on the part of the State to hold a Contractor harmless.

Notification of Legal Requests: The Service Provider shall contact the State upon receipt of any electronic discovery, litigation holds, discovery searches, and expert testimonies related to, or which in any way might reasonably require access to the data of the State. The Service Provider shall not respond to subpoenas, service of process, and other legal requests related to the State without first notifying the State unless prohibited by law from providing such notice.

Termination and Suspension of Service: In the event of termination of the contract, the Service Provider shall implement an orderly return of State data in CSV or XML or another mutually agreeable format. The Service Provider shall guarantee the subsequent secure disposal of State data.

- a) Suspension of services: During any period of suspension of this Agreement, for whatever reason, the Service Provider shall not take any action to intentionally erase any State data.
- b) Termination of any services or agreement in entirety: In the event of termination of any services or of the agreement in its entirety, the Service Provider shall maintain the existing level of security as stipulated in the agreement and shall not take any action to intentionally erase any

State data for a period of 90 days after the effective date of the termination. After such 90 day period, the Service Provider shall have no obligation to maintain or provide any State data and shall thereafter, unless legally prohibited, dispose of all State data in its systems or otherwise in its possession or under its control as specified in section 7(d) below. Within this 90 day

timeframe, Service Provider will continue to secure and back up State data covered under the contract.

c) **Post-Termination Assistance:** The State 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.

d) **Secure Data Disposal:** When requested by the State, the provider shall destroy all requested data in all of its forms, for example: disk, CD/DVD, backup tape, and paper. Data shall be permanently deleted and shall not be recoverable, according to National Institute of Standards and Technology (NIST) approved methods. Certificates of destruction shall be provided to the State.

Background Checks: The Service Provider shall conduct criminal background checks and not utilize any staff, including sub-contractors, to fulfill the obligations of the contract who has been convicted of any crime of dishonesty, including but not limited to criminal fraud, or otherwise convicted of any felony or any misdemeanor offense for which incarceration for a minimum of one (1) year is an authorized penalty. The Service Provider shall promote and maintain an awareness of the importance of securing the State's information among the Service Provider's employees and agents.

Security Logs and Reports: The Service Provider shall allow the State access to system security logs that affect this engagement, its data, and/or processes. This includes the ability to request a report of the activities that a specific user or administrator accessed over a specified period of time as well as the ability for an agency customer to request reports of activities of a specific user associated with that agency.

- These mechanisms should be defined up front and be available for the entire length of the agreement with the Service Provider.

Contract Audit: The Service Provider shall allow the State to audit conformance including contract terms, system security and data centers as appropriate. The State may perform this audit or contract with a third party at its discretion at the State's expense.

Sub-contractor Disclosure: The Service Provider shall identify all of its strategic business partners related to services provided under this contract, including but not limited to, all subcontractors or other entities or individuals who may be a party to a joint venture or similar agreement with the Service Provider, who will be involved in any application development and/or operations.

Sub-contractor Compliance: Service Provider must ensure that any agent, including a Service Provider or subcontractor, to whom the Service Provider provides access agrees to the same restrictions and conditions that apply through this Agreement.

Processes and Procedures: The Service Provider shall disclose its non-proprietary security processes and technical limitations to the State so that the State can determine if and how

adequate protection and flexibility can be attained between the State and the Service Provider. For example: virus checking and port sniffing — the State and the Service Provider shall understand each other's roles and responsibilities.

Operational Metrics: The Service Provider and the State shall reach agreement on operational metrics and document said metrics in the Service Level Agreement. At a minimum the SLA shall include:

- a) Advance notice and change control for major upgrades and system changes
- b) System availability/uptime guarantee/agreed-upon maintenance downtime
- c) Recovery Time Objective/Recovery Point Objective
- d) Security Vulnerability Scanning