

Attachment C



Technology Serving Citizens™

Response to Request for Proposal Number 7002869

DMV System Modernization Request

Best and Final Offer - ORIGINAL

SUBMITTED TO:
Department of Administration
Division of Purchases
One Capitol Hill
Providence, Rhode Island 02908-5855

SUBMITTED BY:
Saber Corporation
1800 SW First Avenue, Suite 350
Portland, Oregon 97201

July 6, 2007



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1800 SW FIRST AVE. SUITE 350
PORTLAND, OREGON 97201
PHONE 503 228 0775
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WWW.SABERCORP.COM

July 5, 2007

Jerome D. Moynihan, C.P.M., CPPO
Administrator of Purchasing Systems
State of Rhode Island
Department of Administration
Division of Purchases
One Capitol Hill, Second Floor
Providence, RI 02908-5855

Dear Mr. Moynihan:

Saber Software, Inc. is pleased to present our Best and Final Offer (BAFO) fixed bid cost proposal in response to the State of Rhode Island's request for a Best and Final Offer for RFP 7002869: Computer System – DMV.

We have responded according to the BAFO format provided by the State and also included our updated Cost Proposal with the detailed pricing. Although we feel our original pricing was very competitive, we understand the budget constraints of the State and have provided a 5% discount to our original pricing for a total savings of \$469,101.

Saber's contact for any requests relating to the proposal is:

Jim Peyton

Saber Software, Inc.
1800 SW 1st Ave, Suite 350
Portland, OR 97201
Phone (508) 612-0664
Fax (503) 228-0766
jpeyton@sabercorp.com

We appreciate this opportunity to present our Best and Final Offer for Rhode Island's new DMV system.

Sincerely,


Nitin Khanna
Chairman and CEO

COST PROPOSAL QUESTIONS – SABER

Scope of Work:

The State is under the assumption, after reading the RFP proposal, that Saber's cost proposal for the database work reflects an ORACLE database. What is the cost if SABER were to implement a SQL database?

Response: Saber's cost proposal reflects an Oracle database. In the event a SQL database is chosen by the State, Saber's total BAFO fixed cost will be reduced by \$150,000.

IRP:

Does the cost proposal reflect bringing IRP in-house to be processed by the DMV, or does it reflect utilizing the current vendor, CACI?

Response: Saber's cost proposal reflects utilizing the State's current vendor CACI. Our cost proposal reflects the effort required to interface the new application to CACI services. Saber has the capability to assist the State with developing IRP functionality "in-house." Based on the requirements we have seen in other States, typically an IRP solution will cost between \$600-800K. Once we understand the specific requirements in Rhode Island for IRP/IFTA and other related requirements, we will provide the State with a more firm estimate of developing the solution in-house. We are happy to discuss these options further based on the needs of the State.

Ad Hoc Reporting:

Although Ad Hoc Reporting was not defined, since the database is a relational database, the Database Administrator needs to have the capability to query the database for ad hoc data. Is this feature part of the cost proposal?

Response: Yes, this feature is part of Saber's cost proposal.

Hourly Rates:

Please provide hourly rates by job title of any staff that may be assigned to this project.

Project Job Title	Hourly Rate
Project Manager	\$160
Team/Track Lead	\$150
Functional/Technical Manager	\$140
Functional Analyst	\$130
Programmer Analyst	\$125

Contact Information

Jim Peyton, Sales Director, 508-612-0664, jpeyton@sabercorp.com

Saber Software, Inc.	
Scope of Work	
Product License	
Vendor License Cost	\$617,500
Project Administration	
Project Plan	\$489,250
Phase I - Business Process Reengineering	
Business Process Reengineering	\$492,813
Phase I Subtotal	\$1,599,563
Phase II Drivers License	
Software Customization	\$2,554,208
Interfaces	\$780,995
Data Migration	\$261,250
Implementation	\$362,520
Phase II Subtotal	\$3,958,973
Phase III Title and Registration	
Software Customization	\$1,963,023
Interfaces	\$733,020
Data Migration	\$261,250
Implementation	\$397,100
Phase III Subtotal	\$3,354,393
TOTAL COST	\$8,912,929
Warranty to 13 months (Included in Fixed Price)	\$0
Hosting Disaster Recovery ^{1,2}	\$178,500
Annual Application Maintenance Costs	See Below

Annual Application Maintenance Plan Costs²	Annual Amount
Saber Platinum Support (As defined in technical proposal)	\$725,000
Saber Gold Support (As defined in technical proposal)	\$535,000
Saber Silver Support (As defined in technical proposal)	\$375,000
Basic Application Maintenance (Offsite defect and issue resolution; Tracking Tool)	\$250,000

¹ Cost is annual fees for the hosting of Disaster Recovery services only.

² Cost is flexible and subject to change based on specific needs of the State.

UPDATED COST PROPOSAL

Saber has updated the original cost proposal to reflect the details of our best and final offer response to Rhode Island DMV. We have again organized the cost proposal into three main sections. The first outlines the cost associated with each phase of the engagement as well as the breakdown by specific deliverable. The second section outlines Saber's proposed payment milestones to be realized over the course of the project associated with the overall cost. The third section gives details of the hosting option.

I. Cost Breakdown

Scope of Work	Deliverables	Price
PRODUCT LICENSE		
Saber Motor Vehicle Product License	N/A	\$617,500
PROJECT ADMINISTRATION		
Project Management	Project Plan Statement of Work Scope Management Plan Communication Management Plan Quality Assurance Plan Risk Management Plan Configuration Management Plan	\$489,250
PHASE I - BUSINESS PROCESS REENGINEERING		
Business Process Reengineering	Business Impact Workflows/Recommended Changes Hardware/Architecture Assessment	\$492,813
Phase I Subtotal		\$1,599,563
PHASE II - DRIVERS LICENSE		
SOFTWARE CUSTOMIZATION		
Requirements Validation	High Level Design UI Specifications Logical Data Model Forms/Reports Specifications	\$556,928
Design	Class Diagrams Sequence Diagrams System Architecture Model Physical Data Model Coding Standards	\$651,168
Build	Application Code	\$867,160

RESPONSE TO REQUEST FOR PROPOSAL #7002869 – BEST AND FINAL OFFER

Scope of Work	Deliverables	Price
System Test	Unit Test Results System Test Plan System Test Report User Acceptance Test Plan	\$478,952
INTERFACES		
Requirements Analysis	Interface Specifications	\$209,342
Build	Code	\$428,165
Interface Testing/Pilot Tests	Pilot Test Report User Acceptance Test Plan	\$143,488
DATA MIGRATION		
Data Migration Planning	Conversion Strategy Document Conversion Workplan	\$30,400
Data Acceptance	Converted Data Summary Report	\$230,850
IMPLEMENTATION		
Implementation	Implementation Plan User Manual System & Operations Manual	\$188,480
Training	Training Materials Training Execution Report	\$119,320
User Acceptance Test	UAT Report	\$54,720
Phase II Subtotal		\$3,958,973
PHASE III - TITLE & REGISTRATION		
SOFTWARE CUSTOMIZATION		
Requirements Validation	High Level Design UI Specifications Logical Data Model Forms/Reports Specifications	\$414,675
Design	Class Diagrams Sequence Diagrams System Architecture Model Physical Data Model Coding Standards	\$302,784
Build	Application Code Unit Test Results System Test Plan	\$813,200
System Test	System Test Report User Acceptance Test Plan	\$432,364

DMV SYSTEM MODERNIZATION REQUEST – BEST AND FINAL OFFER

Scope of Work	Deliverables	Price
INTERFACES		
Requirements Analysis	Interface Specifications	\$274,379
Build	Code	\$305,425
Interface Testing/Pilot Tests	Pilot Test Report User Acceptance Test Plan	\$153,216
DATA MIGRATION		
Data Migration Planning	Conversion Strategy Document Conversion Workplan	\$30,400
Data Acceptance	Converted Data Summary Report	\$230,850
IMPLEMENTATION		
Implementation	Implementation Plan User Manual System & Operations Manual	\$188,480
Training	Training Materials Training Execution Report	\$153,900
User Acceptance Test	UAT Report	\$54,720
Phase III Subtotal		\$3,354,393
TOTAL COST		\$8,912,929

II. Proposed Payment Milestones

This section outlines Saber's proposed payment milestones associated with the cost breakdown outlined above in Section I. The table also includes payments to be made after the required holdback amount as well as a projected date for payment based on the proposed project plan.

Phase I Payments

	Scope of Work	Deliverables	Price	Holdback	Payment
PRODUCT LICENSE					
	Saber Motor Vehicle Product License	N/A	\$617,500	N/A	\$617,500
PROJECT ADMINISTRATION					
Project Management	Project Plan Statement of Work Acceptance Criteria Communication Plan Quality Assurance Plan Risk Management Plan Change Management Plan		\$489,250	N/A	\$489,250
PHASE I - BUSINESS PROCESS REENGINEERING					
Business Process Reengineering	Business Impact Workflows/Recommended Changes Hardware/Architecture Assessment		\$492,813	N/A	\$492,813
TOTAL			\$1,599,563	\$0	\$1,599,563

Phase II Payments

Saber proposes the cost associated with deliverables in the Requirements Analysis, Design, and Build portions of the development lifecycle be broken down by module in order to align payments with the signoff and acceptance of each module during the development lifecycle.

Scope of Work	Deliverables	Price	Milestone	Price	Holdback	Payment
PHASE II - DRIVERS LICENSE						
SOFTWARE CUSTOMIZATION						
Requirements Validation	High Level Design UI Specifications Logical Data Model Forms/Reports Specifications	\$556,928	Core	\$92,821	\$13,923	\$78,898
			Customer/Common	\$92,821	\$13,923	\$78,898
			Drivers License/CDL	\$92,821	\$13,923	\$78,898
			Driver Improvement	\$92,821	\$13,923	\$78,898
			Enforcement	\$92,821	\$13,923	\$78,898
			Revenue	\$92,821	\$13,923	\$78,898
Design	Class Diagrams Sequence Diagrams System Architecture Model Physical Data Model Coding Standards	\$651,168	Core	\$108,528	\$16,279	\$92,249
			Customer/Common	\$108,528	\$16,279	\$92,249
			Drivers License/CDL	\$108,528	\$16,279	\$92,249
			Driver Improvement	\$108,528	\$16,279	\$92,249
			Enforcement	\$108,528	\$16,279	\$92,249
			Revenue	\$108,528	\$16,279	\$92,249
Build	Application Code Unit Test Results System Test Plan	\$867,160	Core	\$144,527	\$21,679	\$122,848
			Customer/Common	\$144,527	\$21,679	\$122,848
			Drivers License/CDL	\$144,527	\$21,679	\$122,848
			Driver Improvement	\$144,527	\$21,679	\$122,848
			Enforcement	\$144,527	\$21,679	\$122,848
			Revenue	\$144,527	\$21,679	\$122,848

RESPONSE TO REQUEST FOR PROPOSAL # 7002869 - BEST AND FINAL OFFER

Scope of Work	Deliverables	Price	Milestone	Price	Holdback	Payment
System Test	System Test Report User Acceptance Test Plan	\$478,952			\$71,843	\$407,109
INTERFACES						
Requirements Validation	Interface Specifications	\$209,342			\$31,401	\$177,941
Build	Code	\$428,165			\$64,225	\$363,940
Interface Testing/Pilot Test	Pilot Test Report User Acceptance Test Plan	\$143,488			\$21,523	\$121,965
DATA MIGRATION						
Data Migration Planning	Conversion Strategy Document Conversion Workplan	\$30,400			\$4,560	\$25,840
Data Acceptance	Converted Data Summary Report	\$230,850			\$34,628	\$196,223
IMPLEMENTATION						
Implementation	Implementation Plan User Manual System & Operations Manual	\$188,480			\$28,272	\$160,208
Training	Training Materials Training Execution Report	\$119,320			\$17,898	\$101,422
UAT	UAT Report	\$54,720			\$8,208	\$46,512
Subtotals		\$3,958,973			\$593,846	\$3,365,127
TOTAL COST		\$3,958,973				\$3,958,973

Phase III Payments

Saber proposes the cost associated with deliverables in the Requirements Analysis, Design, and Build portions of the development lifecycle be broken down by module in order to align payments with the signoff and acceptance of each module during the development lifecycle.

Scope of Work	Deliverables	Price	Milestone	Price	Holdback	Payment
PHASE II - DRIVERS LICENSE						
SOFTWARE CUSTOMIZATION						
Requirements Validation	High Level Design UI Specifications Logical Data Model Forms/Reports Specifications	\$414,675	Title, Disability Parking Registration/Dealer Reg Dealer Licensing CMV Overweight/Size Insurance, IFTA/IRP Enforcement	\$69,113 \$69,113 \$69,113 \$69,113 \$69,113 \$69,113 \$69,113	\$10,367 \$10,367 \$10,367 \$10,367 \$10,367 \$10,367 \$10,367	\$58,746 \$58,746 \$58,746 \$58,746 \$58,746 \$58,746 \$58,746
Design	Class Diagrams Sequence Diagrams System Architecture Model Physical Data Model Coding Standards	\$302,784	Title, Disability Parking Registration/Dealer Registration Dealer Licensing CMV Overweight/Size Insurance, IFTA/IRP Enforcement	\$50,464 \$50,464 \$50,464 \$50,464 \$50,464 \$50,464 \$50,464	\$7,570 \$7,570 \$7,570 \$7,570 \$7,570 \$7,570 \$7,570	\$42,894 \$42,894 \$42,894 \$42,894 \$42,894 \$42,894 \$42,894
Build	Application Code	\$813,200	Title, Disability Parking	\$135,533	\$20,330	\$115,203

Scope of Work	Deliverables	Price	Milestone	Price	Holdback	Payment
			Registration/Dealer Dealer Licensing CMV Overweight/Size Insurance, JFTA/TRP Enforcement	\$135,533 \$135,533 \$135,533 \$135,533 \$135,533	\$20,330 \$20,330 \$20,330 \$20,330 \$20,330	\$115,203 \$115,203 \$115,203 \$115,203 \$115,203
System Test	Unit Test Results System Test Plan System Test Report User Acceptance Test Plan	\$432,364			\$64,855	\$367,509
INTERFACES						
Requirements Validation	Interface Specifications	\$274,379			\$41,157	\$233,222
Build	Code & Unit Test Results	\$305,425			\$45,814	\$259,611
Interface Testing/Pilot Test	Pilot Test Report User Acceptance Test Plan	\$153,216			\$22,982	\$130,234
DATA MIGRATION						
Data Migration Planning	Conversion Strategy Document Conversion Workplan	\$30,400			\$4,560	\$25,840
Data Acceptance	Converted Data Summary Report	\$230,850			\$34,628	\$196,223
IMPLEMENTATION						

DMV SYSTEM MODERNIZATION REQUEST - BEST AND FINAL OFFER

Scope of Work	Deliverables	Price	Milestone	Price	Holdback	Payment
Implementation	Implementation Plan User Manual System & Operations Manual	\$188,480			\$28,272	\$160,208
Training	Training Materials Training Execution Report	\$153,900			\$23,085	\$130,815
User Acceptance Test	UAT Report	\$54,720			\$8,208	\$46,512
Subtotals		\$3,354,393			\$503,159	\$2,851,234
TOTAL COST		\$3,354,393				\$3,354,393

III. Optional Cost Table

Annual Operations Costing	Recurring Annual Maintenance Cost
Platinum Support (as defined in Section 6 of the technical proposal)	\$725,000
Gold Support (as defined in Section 6 of the technical proposal)	\$535,000
Silver Support (as defined in Section 6 of the technical proposal)	\$375,000
Basic Application Maintenance (Offsite defect and issue resolution with integrated tracking tool)	\$250,000
Hosting Disaster Recovery	\$178,500

Hosting Disaster Recover Pricing Assumptions:

All hardware and software licenses will be procured by the State.

Annual maintenance for hardware and software has not been included in this pricing.

Annual support costs will increase by 4% annually.

For this BAFO cost proposal Saber has assumed that the Disaster Recovery site will be maintained in Dublin, Ohio; we are happy to discuss other options with the State.

Functional and Project Management Assumptions

1. The proposed solution and associated costs are for a .NET technology solution. While Saber can provide an alternative technology such as J2EE the cost proposal would need to be resubmitted.
2. An interface to NMVTIS is out of scope for this RFP.
3. A Plate inventory module is out of scope for this RFP.
4. Ad hoc reporting is not a requirement for this RFP. However, there is one requirement to support ad hoc letters which will be supported as defined. In addition, RI DBA ad hoc reporting capabilities will be provided as stated in response to State's BAFO requests above. No additional requirements have been requested and therefore any other ad hoc reporting is assumed out of scope.
5. The State will provide the development, testing and production environments and associated software licenses as clarified in response to Question #8 from Vendor #6.
6. The scope of imaging is to interface with the image/scanning system being procured and implemented separately by the State.
7. The State will provide the hardware installation and basic configuration for the proposed solution.
8. Project Scope – During the initial stages of the engagement, both Saber and RI DMV will agree on a point in time where the Scope for a specific portion of the project will be finalized and signed off. Any changes to this defined scope during the associated timeframe will be managed through the Change Control Process and assessed for Time and Cost impacts.
9. If there is an extended lifecycle for the awarding of the associated contract the staffing outlined in the Saber response to the RI DMV System Modernization Project RFP are subject to change. If any proposed Saber staff is unavailable at the time this project is to begin, Saber will replace those resources with individuals possessing equal or greater skills/experience.
10. The State will provide decision-makers and subject matter experts to attend JAD/Focus Group sessions, review drafts of deliverables and respond with suggestions/comments as well as provide the appropriate technical staff to facilitate access to the State mainframe and servers for development and testing as required by the Project Calendar.
11. The State will provide a single point of contact for each deliverable reviews. Additionally, the State will manage the State internal review process to provide final comments to Saber as per agreed time frame.
12. Saber will provide automated processes to the extent possible for cleansing data. However, the data that is missing, incomplete, or incorrect may require manual State intervention to correct. Where possible, Saber will provide the State with reports that identify missing, incomplete or incorrect data. Data cleansing will need to be completed in a timely manner prior to data conversion.
13. Resources from the State, if necessary, will be available to establish required connectivity and provide technical support for network connectivity and operations between the Saber facility and the State facility.

14. After hours access to the State building and facilities may be required and will be available during critical points in the project.
15. The State will provide industry standard server room facility and infrastructure including adequate power, UPS, HVAC, security, racks, storage, and network (switches, routers, etc.) to house the proposed solution.
16. If the new system integrates with any third party software that is currently being used by the State (e.g., VINA, NADA, etc.), the State will provide the development license(s) of these products to Saber to facilitate development and testing.
17. The State will be responsible for the liaison and facilitation with external entities, business partners, and other government departments as required to collect interface related requirements and testing the interfaces.

Attachment 0

**STATE OF RHODE ISLAND
PROCUREMENT REGULATIONS**

APPENDIX A – GENERAL CONDITIONS OF PURCHASE



Amended regulations adopted June 20, 2011

Division of Purchases
Rhode Island Department of Administration
One Capitol Hill, Second Floor
Providence, Rhode Island 02908

Tel: (401) 574-8100

RECEIVED

(Handwritten initials)

OCT 11 2011

RI SECRETARY OF STATE
ADMINISTRATIVE RECORDS

The following amended State of Rhode Island Procurement Regulations were adopted by me, as Director of the State of Rhode Island Department of Administration, on the _____ day of June 2011.

Richard A. Licht, Director
State of Rhode Island
Department of Administration
One Capitol Hill
Providence, Rhode Island 02908

Date of Public Notice: May 5, 2011
Date of Public Hearing: June 8, 2011
End of Comment Period: June 8, 2011

GENERAL CONDITIONS OF PURCHASE

All State Purchase Orders, Contracts, Solicitations, Delivery Orders and Service Requests shall incorporate and be subject to the provisions of Title 37 Chapter 2 of the General Laws of the State of Rhode Island, the Regulations adopted pursuant thereto, all other applicable provisions of the Rhode Island General Laws, specific requirements described in the Request or Contract, and the following General Conditions of Purchase:

1. GENERAL - All purchase orders, contracts, solicitations, delivery orders, and service requests are for specified goods and services, in accordance with express terms and conditions of purchase, as defined herein. For the purposes of this document, the terms "bidder" and "contractor" refer to any individual, firm, corporation, or other entity presenting a proposal indicating a desire to enter into contracts with the State, or with whom a contract is executed by the State's Purchasing Agent, and the term "contractor" shall have the same meaning as "vendor".

2. ENTIRE AGREEMENT - The State's Purchase Order, or other State contract endorsed by the State Office of Purchases, shall constitute the entire and exclusive agreement between the State and any contractor receiving an award. In the event any conflict between the bidder's standard terms of sale, these conditions or more specific provisions contained in the solicitation shall govern. All communication between the State and any contractor pertaining to any award or contract shall be accomplished in writing.

- **a.** Each proposal will be received with the understanding that the acceptance, in writing, by contract or Purchase Order by the Purchasing Agent of the offer to do work or to furnish any or all the materials, equipment, supplies or services described therein shall constitute a contract between the bidder and the State. This shall bind the bidder on his part to furnish and deliver at the prices and in accordance with the conditions of said accepted proposal and detailed specifications and the State on its part to order from such contractor (except in case of emergency) and to pay for at the agreed prices, all materials, equipment, supplies or services specified and delivered. A contract shall be deemed executory only to the extent of funds available for payment of the amounts shown on Purchase Orders issued by the State to the contractors.

- b.** No alterations or variations of the terms of the contract shall be valid or binding upon the State unless submitted in writing and accepted by the Purchasing Agent. All orders and changes thereof must emanate from the Office of Purchases: no oral agreement or arrangement made by a contractor with an agency or employee will be considered to be binding on the Purchasing Agent, and may be disregarded.

- c.** Contracts will remain in force for the contract period specified or until all articles or services ordered before date of termination shall have been

satisfactorily delivered or rendered and accepted and thereafter until all terms and conditions have been met, unless

1. terminated prior to expiration date by satisfactory delivery against orders of entire quantities, or

2. extended upon written authorization of the Purchasing Agent and accepted by the contractor, to permit ordering of the unorderd balances or additional quantities at the contract price and in accordance with the contract terms, or

3. canceled by the State in accordance with other provisions stated herein.

• d. It is mutually understood and agreed that the contractor shall not assign, transfer, convey, sublet or otherwise dispose of this contract or his right, title or interest therein, or his power to execute such contract, to any other person, company or corporation, without the previous consent, in writing, of the Purchasing Agent.

e. If, subsequent to the submission of an offer or issuance of a purchase order or execution of a contract, the bidder or contractor shall merge with or be acquired by another entity, the contract may be terminated, except as a corporate resolution prepared by the contractor and the new entity ratifying acceptance of the original bid or contract terms, condition, and pricing is submitted to the Office of Purchases, and expressly accepted.

f. The contractor or bidder further warrants by submission of an offer or acceptance of a purchase order or other contract that he has no knowledge at the time of such action of any outstanding and delinquent or otherwise unsettled debt owed by him to the State, and agrees that later discovery by the Purchasing Agent that this warranty was given in spite of such knowledge, except where the matter is pending in hearing or from any appeal therefrom, shall form reasonable grounds for termination of the contract.

3. SUBCONTRACTS - No subcontracts or collateral agreements shall be permitted, except with the State's express consent. Upon request, contractors must submit to the Office of Purchases a list of all subcontractors to be employed in the performance of any Purchase Order or other contract arising from this Request.

4. RELATIONSHIP OF PARTIES - The contractor or bidder warrants, by submission of an offer or acceptance of a purchase order or other contract, that he is not an employee, agent, or servant of the State, and that he is fully qualified and capable in all material regards to provide the specified goods and services. Nothing herein shall be construed as creating any contractual relationship or obligation between the State and any sub-bidder, subcontractor, supplier, or employee of the contractor or offeror.

5. COSTS OF PREPARATION - All costs associated with the preparation, development, or submission of bids or other offers will be borne by the offeror. The State will not reimburse any offeror for such costs.

6. SPECIFIED QUANTITY REQUIREMENT - Except where expressly specified to the contrary, all solicitations and contracts are predicated on a specified quantity of goods or services, or for a specified level of funding.

- **a.** The State reserves the right to modify the quantity, scope of service, or funding of any contract, with no penalty or charge, by written notice to the contractor, except where alternate terms have been expressly made a part of contract.

- b.** The State shall not accept quantities in excess of the specified quantity except where the item is normally sold by weight (where sold by weight, the State will not accept quantities greater than ten per cent [10%] of the specified quantity), or where the Request or Contract provides for awards for other than exact quantities.

- c.** Purchase Orders or other contracts may be increased in quantity or extended in term without subsequent solicit with the mutual consent of the contractor and the State, where determined by the Purchasing Agent to be in the State's best interest.

7. TERM AND RENEWAL - Where offers have been requested or contracts awarded for terms exceeding periods of twelve (12) months, it is mutually understood and agreed that the State's commitment is limited to a base term not to exceed twelve (12) months, subject to renewal annually at the State's sole option for successive terms as otherwise described, except where expressly specified to the contrary. Purchase orders appearing to commit to obligations of funding or terms of performance may be executed for administrative convenience, but are otherwise subject to this provision, and in such cases the State's renewal shall be deemed to be automatic, conditional on the continued availability of appropriated funds for the purpose, except as written notice of the State's intent not to renew is served.

8. DELIVERY - Delivery must be made as ordered and in accordance with the proposal. If delivery qualifications do not appear on the bidder's proposal, it will be interpreted to mean that goods are in stock and that shipment will be made within seven (7) calendar days. The decision of the Purchasing Agent, as to reasonable compliance with the delivery terms, shall be final. Burden of proof of delay in receipt of order shall rest with the contractor. No delivery charges shall be added to invoices except when authorized on the Purchase Order.

9. FOREIGN CORPORATIONS - In accordance with Title 7 Chapter 1.1 of the General Laws of Rhode Island, no foreign corporation shall have the right to transact business in this state until it shall have procured a certificate of authority so to do from the Secretary of State.

10. PRICING - All pricing offered or extended to the State is considered to be firm and fixed unless expressly provided for to the contrary. All prices shall be quoted F.O.B. Destination with freight costs included in the unit cost to be paid by the State, except, where the Request or Contract permits, offers reflecting F.O.B. Shipping Point will be considered, and freight costs may then be prepaid and added to the invoice.

11. COLLUSION - Bidder or contractor warrants that he has not, directly or indirectly, entered into any agree participated in any collusion or otherwise taken any action in restraint of full competitive bidding. In special circumstances, an executed affidavit will be required as a part of the bid.

12. PROHIBITION AGAINST CONTINGENT FEES AND GRATUITIES - Bidder or contractor warrants that he has not paid, and agrees not to pay, any bonus, commission, fee, or gratuity to any employee or official of the State for the purpose of obtaining any contract or award issued by the State. Bidder or contractor further warrants that no commission or other payment has been or will be received from or paid to any third party contingent on the award of any contract by the State, except as shall have been expressly communicated to the State Purchasing Agent in writing prior to acceptance of the contract or award in question. Subsequent discovery by the State of non-compliance with these provisions shall constitute sufficient cause for immediate termination of all outstanding contracts and suspension or debarment of the bidder(s) or contractor(s) involved.

13. AWARDS - Awards will be made with reasonable promptness and by written notice to the successful bidder (only); bids are considered to be irrevocable for a period of sixty (60) days following the bid opening unless expressly provided for to the contrary in the Request, and may not be withdrawn during this period without the express permission of the Purchasing Agent.

- **a.** Awards shall be made to the bidder(s) whose offer(s) constitutes the lowest responsive price offer (or lowest responsive price offer on an evaluated basis) for the item(s) in question or for the Request as a whole, at the option of the State. The State reserves the right to determine those offers which are responsive to the Request, or which otherwise serve its best interests.

- b.** The State reserves the right, before making award, to initiate investigations as to whether or not the materials, equipment, supplies, qualifications or facilities offered by the bidder meet the requirements set forth in the proposal and specification, and are ample and sufficient to insure the proper performance of the contract in the event of award. If upon such examination it is found that the conditions of the proposal are not complied with or that articles or equipment proposed to be furnished do not meet the requirements called for, or that the qualifications or facilities are not satisfactory, the State may reject such a bid. It is distinctly understood, however, that nothing in the foregoing shall mean or imply that it is obligatory upon the State to make any examinations before awarding a contract; and it is further understood that if such examination is made, it in no

way relieves the contractor from fulfilling all requirements and conditions of the contract.

c. Qualified or conditional offers which impose limitations of the bidder's liability or modify the requirements of the bid, offers for alternate specifications, or which are made subject to different terms and conditions than those specified by the State may, at the option of the State, be

1. Rejected as being non-responsive, or

2. set aside in favor of the State's terms and conditions (with the consent of the bidder), or

3. accepted, where the State Purchasing Agent determines that such acceptance best serves the interests of the State.

• Acceptance or rejection of alternate or counter-offers by the State shall not constitute a precedent which shall be considered to be binding on successive solicitations or procurements.

d. Bids submitted in pencil, or which do not bear an original signature, in ink, by an owner or authorized agent thereof, will not be accepted.

e. Bids must be extended in the unit of measure specified in the Request. In the event of any discrepancy between unit prices and their extensions, the unit price will govern.

f. The Purchasing Agent reserves the right to determine the responsibility of any bidder for a particular procurement.

g. The Purchasing Agent reserves the right to reject any and all bids in whole or in part, to waive technical defects, irregularities, and omissions, and to give consideration to past performance of the offerors where, in his judgment the best interests of the State will be served by so doing.

h. The Purchasing Agent reserves the right to make awards by items, group of items or on the total low bid for all the items specified as indicated in the detailed specification, unless the bidder specifically indicates otherwise in his bid.

i. Preference may be given to bids on products raised or manufactured in the State, other things being equal.

j. The impact of discounted payment terms shall not be considered in evaluating responses to any Request.

k. The Purchasing Agent reserves the right to act in the State's best interests regarding awards caused by clerical errors by the Office of Purchases.

14. SUSPENSION AND DEBARMENT - The Purchasing Agent may suspend or debar any vendor or potential bidder, for good cause shown:

- a. A debarment or suspension against a part of a corporate entity constitutes debarment or suspension of all of its divisions and all other organizational elements, except where the action has been specifically limited in scope and application, and may include all known corporate affiliates of a contractor, when such offense or act occurred in connection with the affiliate's performance of duties for or on behalf of the contractor, or with the knowledge, approval, or acquiescence of the contractor or one or more of its principals or directors (or where the contractor otherwise participated in, knew of, or had reason to know of the acts).

- b. The fraudulent, criminal or other serious improper conduct of any officer, director, shareholder, partner, employee, or any other individual associated with a contractor may be imputed to the contractor when the conduct occurred in connection with the individual's performance of duties for or on behalf of the contractor, or with the contractor's knowledge, approval or acquiescence. The contractor's acceptance of benefits derived from the conduct shall be evidence of such knowledge, approval, or acquiescence.

- c. A vendor or contractor who knowingly engages as a subcontractor for a contract awarded by the State to a vendor or contractor then under a ruling of suspension or debarment by the State shall be subject to disallowance of cost, annulment or termination of award, issuance of a stop work order, or debarment or suspension, as may be judged to be appropriate by the State Purchasing Agent.

15. PUBLIC RECORDS - Contractors and bidders are advised that all documents, correspondence, and other submissions to the Office of Purchases may be accessible as public records, pursuant to Title 38, Chapter 2 of the General Laws, absent specific notice that portions of such submittals may contain confidential or proprietary information, such that public access to those items should be withheld, and except as otherwise provided for pursuant to RIGL 37-2-18 (a)-(h) "Competitive Sealed Bidding".

16. PRODUCT EVALUATION - In all specifications, the words "or equal" are understood after each article when manufacturer's name or catalog are referenced. If bidding on items other than those specified, the bidder must, in every instance, give the trade designation of the article, manufacturer's name and detailed specifications of the item the bidder proposes to furnish; otherwise, the bid will be construed as submitted on the identical commodity described in the detailed specifications. The Purchasing Agent reserves the right to determine whether or not the item submitted is the approved equal the detailed specifications.

- a. Any objections to specifications must be filed by a bidder, in writing, with the Purchasing Agent at least 96 hours before the time of bid opening to enable the Office of Purchases to properly investigate the objections.

- b. All standards are minimum standards except as otherwise provided for in the Request or Contract.

- c. Samples must be submitted to the Office of Purchases in accordance with the terms of the proposals and detailed specifications. Samples must be furnished free of charge and must be accompanied by descriptive memorandum invoices indicating whether or not the bidder desires their return and specifying the address to which they are to be returned (at the bidder's risk and expense), provided they have not been used or made useless by tests; and absent instructions, the samples shall be considered to be abandoned. Award samples may be held for comparison with deliveries.

- d. All samples submitted are subject to test by any laboratory the State Purchasing Agent may designate.

17. PRODUCT ACCEPTANCE - All merchandise offered or otherwise provided shall be new, of prime manufacture, and of first quality unless otherwise specified by the State. The State reserves the right to reject all nonconforming goods, and to cause their return for credit or replacement, at the State's option. Contract deliverables specified for procurements of services shall be construed to be work products, and subject to the provisions of this section.

- a. Failure by the State to discover latent defect(s) or concealed damage or non-conformance shall not foreclose the State's right to subsequently reject the goods in question.

- b. Formal or informal acceptance by the State of non-conforming goods shall not constitute a precedent for successive receipts or procurements.

- c. Where the contractor fails to promptly cure the defect or replace the goods, the State reserves the right to cancel the Purchase Order, contract with a different contractor, and to invoice the original contractor for any differential in price over the original contract price.

- d. When materials, equipment or supplies are rejected, the same must be removed by the contractor from the premises of the State Agency within forty-eight (48) hours of notification. Rejected items left longer than two days will be regarded as abandoned and the State shall have the right to dispose of them as its own property.

18. PRODUCT WARRANTIES - All product or service warranties normally offered by the contractor or bidder shall accrue to the State's benefit, in addition to any special

requirements which may be imposed by the State. Every unit delivered must be guaranteed against faulty material and workmanship for a period of one year unless otherwise specified, and the State may, in the event of failure, order its replacement, repair, or return for full credit, at its sole option.

19. PAYMENT - Unless otherwise provided for by the Request or Contract, payment shall not be made until delivery has been made, or services performed, in full, and accepted. Payment shall not be due prior to thirty (30) working days following the latest of completion, acceptance, or the rendering of a properly submitted invoice.

• **a.** Payment terms other than the foregoing may be rejected as being non-responsive..

b. No partial shipments will be accepted, unless provided for by the Request or Contract.

c. Where a question of quality is involved, payment in whole or part against which to charge back any adjustment required, shall be withheld at the direction of the Purchasing Agent. In the event a cash discount is stipulated, the withholding of payments, as herein described, will not deprive the State from taking such discount.

d. Payments for used portion of inferior delivery will be made by the State on an adjusted price basis.

e. Payments on contracts under architectural or engineering supervision must be accompanied by a Certificate of Payment and Statement of Account signed by the architect or engineer and submitted to the Agency involved for approval.

20. THIRD PARTY PAYMENTS - The State recognizes no assigned or collateral rights to any purchase agreement except as may be expressly provided for in the bid or contract documents, and will not accede to any request for third party or joint payment(s), except as provided for in specific orders by a court of competent jurisdiction, or by express written permission of the Purchasing Agent. Where an offer is contingent upon such payment(s), the offeror is obligated to serve affirmative notice in his bid submission.

21. SET-OFF AGAINST PAYMENTS - Payments due the contractor shall be subject to reduction by the State Controller equal to the amount of unpaid and delinquent state taxes (or other just debt owed to the State), except where notice of delinquency has not been served or while the matter is pending in hearing or from any appeal therefrom.

22. CLAIMS - Any claim against a contractor may be deducted by the State from any money due him in the same or other transactions. If no deduction is made in such fashion, the contractor shall pay the State the amount of such claim on demand. Submission of a voucher and payment, thereof, by the State shall not preclude the Purchasing Agent from

demanding a price adjustment in any case when the commodity delivered is later found to deviate from the specifications and proposal.

- a. The Purchasing Agent may assess dollar damages against a vendor or contractor determined to be non-performing or otherwise in default of their contractual obligations equal to the cost of remedy incurred by the State, and make payment of such damages a condition for consideration for any subsequent award. Failure by the vendor or contractor to pay such damages shall constitute just cause for disqualification and rejection, suspension, or debarment.

23. STATE CONTROLLER'S CERTIFICATION OF FUNDING - Certification as to the availability of funds to support the procurement for the current fiscal year ending June 30th only. Where delivery or service requirements extend beyond the end of the current fiscal year, such extensions are subject to both the availability of appropriated funds and a determination of continued need.

24. UNUSED BALANCES - Unless otherwise specified, all unused Blanket Order quantities and/or unexpended funds shall be automatically canceled on the expiration of the specified term. Similarly, for orders encompassing more than one State fiscal year, unexpended balances of funding allotted for an individual fiscal year may be liquidated at the close of that fiscal year, at the State's sole option.

25. MINORITY BUSINESS ENTERPRISES - Pursuant to the provisions of Title 37 Chapter 14.1 of the General Laws, the State reserves the right to apply additional consideration to offers, and to direct awards to bidders other than the responsive bid representing the lowest price where:

- a. the offer is fully responsive to the terms and conditions of the Request, and
- b. the price offer is determined to be within a competitive range (not to exceed 5% higher than the lowest responsive price offer) for the product or service, and
- c. the firm making the offer has been certified by the R.I. Department of Economic Development to be a small business concern meeting the criteria established to be considered a Minority Business Enterprise. Ten per cent [10%] of the dollar value of the work performed against contracts for construction exceeding \$5,000 shall be performed by Minority Business Enterprises where it has been determined that subcontract opportunities exist, and where certified Minority Business Enterprises are available. A contractor may count towards its MBE, DBE, or WBE goals 60% of its expenditures for materials and supplies required under a contract and obtained from an MBE, DBE, or WBE regular dealer, and 100% of such expenditures when obtained from an MBE, DBE, or WBE manufacturer. Awards of this type shall be subject to approval, by the Director of Administration, of a Subcontracting Plan submitted by the bidder receiving the award.

26. PREVAILING WAGE REQUIREMENT - In accordance with Title 37 Chapter 13 of the General Laws of Rhode Island, payment of the general prevailing rate of per diem wages and the general prevailing rate for regular, overtime and other working conditions existing in the locality for each craft, mechanic, teamster, or type of workman needed to execute this work is a requirement for both contractors and subcontractors for all public works.

27. EQUAL OPPORTUNITY COMPLIANCE, HANDICAPPED ACCESS AND AFFIRMATIVE ACTION - Contractors of the State are required to demonstrate the same commitment to equal opportunity as prevails under federal contracts controlled by Federal Executive Orders 11246, 11625, 11375 and 11830, and Title 28 Chapter 5.1 of the General Laws of Rhode Island. Affirmative action plans shall be submitted by the contractor for review by the State Equal Opportunity Office. A contractor's failure to abide by the rules, regulations, contract terms and compliance reporting provisions as established shall be grounds for forfeiture and penalties as shall be established, including but not limited to suspension.

28. DRUG-FREE WORKPLACE REQUIREMENT - In accordance with Executive Order No. 91-14, Contractors who do business with the State and their employees shall abide by the State's drug-free workplace policy and the contractor shall so attest by signing a certificate of compliance.

29. GOODS PRODUCED IN THE REPUBLIC OF SOUTH AFRICA - In accordance with Chapters 35-10-12 and 37-2-57 of the General Laws, goods which are known to be wholly produced in the Republic of South Africa may not be accepted for any procurement the State of Rhode Island; the offeror attests by his submission of a bid or offer, or acceptance of a purchase order or other contract, that these prohibitions do not apply to material or goods which form the basis for his offer or contract.

30. TAXES - The State of Rhode Island is exempt from payment of excise, transportation and sales tax imposed by the Federal or State Government. These taxes should not be included in the proposal price. Exemption Certificates will be furnished upon request.

31. INSURANCE - All construction contractors, independent tradesmen, or firms providing any type of maintenance, repair, or other type of service to be performed on state premises, buildings, or grounds are required to purchase and maintain coverage with a company or companies licensed to do business in the state as follows:

- a. Comprehensive General Liability Insurance -
 - 1) Bodily Injury \$1,000,000 each occurrence
 - \$1,000,000 annual aggregate
 - 2) Property Damage \$500,000 each occurrence
- \$500,000 annual aggregate
 - Independent Contractors
 - Contractual - including construction hold harmless and other types of contracts or agreements in effect for insured operations

- Completed Operations
- Personal Injury (with employee exclusion deleted)
- **b. Automobile Liability Insurance -**
- Combined Single Limit \$1,000,000 each occurrence
 - Bodily Injury
 - Property Damage, and in addition non-owned and/or hired vehicles and equipment
- **c. Workers' Compensation Insurance -**
- Coverage B \$100,000

The Purchasing Agent reserves the right to consider and accept alternate forms and plans of insurance or to require additional or more extensive coverage for any individual requirement. Successful bidders shall provide certificates of coverage, reflecting the State of Rhode Island as an additional insured, to the Office of Purchases, forty-eight (48) hours prior to the commencement of work, as a condition of award. Failure to comply with this provision shall result in rejection of the offeror's bid.

32. BID SURETY - When requested, a bidder must furnish a Bid Bond or Certified Check for 5% of his bid, or for the stated amount shown in the solicitation. Bid Bonds must be executed by a reliable Surety Company authorized to do business in the State of Rhode Island. Failure to provide Bid Surety with bid may be cause for rejection of bid. The Bid Surety of any three bidders in contention will be held until an award has been made according to the specifications of each proposal. All others will be returned by mail within 48 hours following the bid opening. Upon award of a contract, the remaining sureties will be returned by mail unless instructed to do otherwise.

33. PERFORMANCE AND LABOR AND PAYMENT BONDS - A performance bond and labor and payment bond of up to 100% of an award may be required by the Purchasing Agent. Bonds must meet the following requirements:

- **a. Corporation:** The Bond must be signed by an official of the corporation above his official title and the corporate seal must be affixed over his signature.
- b. Firm or Partnership:** The Bond must be signed by all of the partners and must indicate that they are "Doing Business As (name of firm)."
- c. Individual:** The Bond must be signed by the individual owning the business and indicate "Owner."
- d.** The Surety Company executing the Bond must be licensed to do business in the State of Rhode Island or Bond must be countersigned by a company so licensed.
- e.** The Bond must be signed by an official of the Surety Company and the corporate seal must be affixed over his signature.
- f.** Signatures of two witnesses for both the principal and the Surety must appear on the Bond.
- g.** A Power of Attorney for the official signing of the Bond for the Surety Company must be submitted with the Bond.

34. DEFAULT AND CANCELLATION - A contract may be canceled or annulled at the contractor's expense upon non-performance of contract, or breach, by the contractor,

of any of his obligations. Failure of contractor to cure such non-performance or breach within ten working days after the receipt of notice, shall be sufficient cause for the cancellation of the contract in question, the cancellation of all outstanding contracts or sub-contracts held by the contractor, and the suspension or debarment of the contractor from future procurements.

- **a.** Failure of a contractor to deliver or perform within the time specified, or within reasonable time as interpreted by the Purchasing Agent or failure to make replacement of rejected articles, when so requested, immediately or as directed by the Purchasing Agent, will cause the Purchasing Agent to purchase in the open market to replace those rejected or not delivered. The Purchasing Agent reserves the right to authorize immediate purchase in the open market against rejections on any contract when necessary. On all such purchases, the contractor, or his surety, agrees to promptly reimburse the State for excess costs occasioned by such default. Should the cost be less, the contractor shall have no claim to the difference.

- b.** A contractor who fails to commence within the time specified or complete an award made for repairs, alterations, construction, or any other service will be considered in default of contract. The Purchasing Agent may contract for completion of the work with another contractor and seek recourse from the defaulting contractor or his surety.

- c.** If contractor consistently fails to deliver quantities or otherwise perform as specified, the Purchasing Agent reserves the right to cancel the contract and purchase the balance in the open market at the contractor's expense.

35. INDEMNITY - The contractor guarantees:

- **a.** To save the State, its agents and employees, harmless from any liability imposed upon the State arising from the negligence, either active or passive, of the contractor, as well as for the use of any copyrighted or non-copyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance of the contract of which the contractor is not the patentee, assignee or licensee.

- b.** To pay for all permits, licenses and fees and give all notices and comply with all laws, ordinances, rules and regulations of the city or town in which the installation is to be made and of the State of Rhode Island.

- c.** That the equipment offered is standard new equipment, latest model of regular stock product with all parts regularly used with the type of equipment offered; also, that no attachment or part has been substituted or applied contrary to manufacturer's recommendations and standard practice.

36. CONTRACTOR'S OBLIGATIONS - In addition to the specific requirements of the contract, construction and building repair contractors bear the following standard responsibilities:

- **a.** To furnish adequate protection from damage for all work and to repair damages of any kind, for which he or his workmen are responsible, to the building or equipment, to his own work, or to the work of other contractors;

- b. To clear and remove all debris and rubbish resulting from his work from time to time, as directed or required, a completion of the work leave the premises in a neat unobstructed condition, broom clean, and in satisfactory order and repair;
- c. To store equipment, supplies, and material at the site only upon approval by the State, and at his own risk;
- d. To perform all work so as to cause the least inconvenience to the State, and with proper consideration for the rights of other contractors and workmen;
- e. To acquaint themselves with conditions to be found at the site, and to assume responsibility for the appropriate dispatching of equipment and supervision of his employees during the conduct of the work; and
- f. To ensure that his employees are instructed with respect to special regulations, policies, and procedures in effect for any State facility or site, and that they comply with such rules.

37. FORCE MAJEURE - All orders shall be filled by the contractor with reasonable promptness, but the contractor shall not be held responsible for any losses resulting if the fulfillment of the terms of the contract shall be delayed or prevented by wars, acts of public enemies, strikes, fires, floods, acts of God, or for any other acts not within the control of the contractor and which by the exercise of reasonable diligence, the contractor is unable to prevent.

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RI SECRETARY OF STATE
ADMINISTRATIVE RECORDS

Attachment E

Appendix A. Information Technology (IT) Supplemental Terms and Conditions

GENERAL PROVISIONS:

The terms and conditions of this Agreement are intended by the parties as a final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior contemporaneous agreement unless such agreement is signed by both parties. In the absence of such an agreement, this Agreement shall constitute the complete and exclusive statement of the terms and conditions and no extrinsic evidence whatsoever may be introduced in any judicial proceeding, which may involve the Agreement. This agreement may not be modified, except by mutual consent executed in writing by both parties.

1. **DEFINITIONS:** The following terms shall be given the meaning shown, unless context requires otherwise or a unique meaning is otherwise specified.

- a) "Acceptance Tests" means those tests performed during the Performance Period which are intended to determine compliance of Equipment and Software with the specifications and all other Attachments incorporated herein by reference and to determine the reliability of the Equipment.
- b) "Application Program" means a computer program which is intended to be executed for the purpose of performing useful work for the user of the information being processed. Application programs are developed or otherwise acquired by the user of the Hardware/Software system, but they may be supplied by the Contractor.
- c) "Attachment" means a mechanical, electrical, or electronic interconnection to the Contractor-supplied Machine or System of Equipment, manufactured by other than the original Equipment manufacturer, that is not connected by the Contractor.
- d) "Business entity" means any individual, business, partnership, joint venture, corporation, S-corporation, limited liability corporation, limited liability partnership, sole proprietorship, joint stock company, consortium, or other private legal entity recognized by statute.
- e) "Buyer" means the State's authorized contracting official.
- f) "Commercial Software" means Software developed or regularly used that: (i) has been sold, leased, or licensed to the general public; (ii) has been offered for sale, lease, or license to the general public; (iii) has not been offered, sold, leased, or licensed to the public but will be available for commercial sale, lease, or license in time to satisfy the delivery requirements of this Contract; or (iv) satisfies a criterion expressed in (i), (ii), or (iii) above and would require only minor modifications to meet the requirements of this Contract.
- g) "Contract" means this Contract or agreement (including any purchase order), by whatever name known or in whatever format used.
- h) "Custom Software" means Software that does not meet the definition of Commercial Software.
- i) "Contractor" means the Business Entity with whom the State enters into this Contract. Contractor shall be synonymous with "supplier," "vendor" or other similar term.
- j) "Data Processing Subsystem" means a complement of Contractor-furnished individual Machines, including the necessary controlling elements (or the functional equivalent) and Operating Software, if any, which are interconnected entirely by Contractor-supplied power and/or signal cables; e.g., direct access controller and drives, a cluster of terminals with their controller, etc.
- k) "Data Processing System (System)" means the total complement of Contractor-furnished Machines, including one or more central processors (or instruction processors) and Operating Software, which are acquired to operate as an integrated group.
- l) "Deliverables" means Goods, Software, Information Technology, telecommunications technology, documentation, software code, tangible outcomes, and other items (e.g. reports) to be delivered pursuant to this Contract, including any such items furnished incident to the provision of services.
- m) "Designated CPU(s)" means for each product, if applicable, the central processing unit of the computers or the server unit, including any associated peripheral units. If no specific "Designated CPU(s)" are specified on the Contract, the term shall mean any and all CPUs located at the site specified therein.
- n) "Documentation" means nonproprietary manuals and other printed materials necessary or useful to the State in its use or maintenance of the Equipment or Software provided hereunder. Manuals and other printed materials customized for the State hereunder constitute Documentation only to the extent that such materials are described in or required by the Statement of Work.
- o) "Equipment" is an all-inclusive term which refers either to individual Machines or to a complete Data Processing System or subsystem, including its Hardware and Operating Software (if any).
- p) "Equipment Failure" is a malfunction in the Equipment, excluding all external factors, which prevents the accomplishment of the Equipment's intended function(s). If microcode or Operating Software residing in the Equipment is necessary for the proper operation of the Equipment, a failure of such microcode or Operating Software which prevents the accomplishment of the Equipment's intended functions shall be deemed to be an Equipment Failure.
- q) "Facility Readiness Date" means the date specified in the Statement of Work by which the State must have the site prepared and available for Equipment delivery and installation.
- r) "Goods" means all types of tangible personal property, including but not limited to materials, supplies, and Equipment (including computer and telecommunications Equipment).
- s) "Hardware" usually refers to computer Equipment and is contrasted with Software. See also Equipment.
- t) "Installation Date" means the date specified in the Statement of Work by which the Contractor must have the ordered Equipment ready (certified) for use by the State.
- u) "Information Technology" includes, but is not limited to, all electronic technology systems and services, automated information handling, System design and analysis, conversion of data, computer programming, information storage and retrieval, telecommunications which include voice, video, and data communications, requisite System controls, simulation, electronic commerce, and all related interactions between people and Machines.

- v) "Machine" means an individual unit of a Data Processing System or subsystem, separately identified by a type and/or model number, comprised of but not limited to mechanical, electro-mechanical, and electronic parts, microcode, and special features installed thereon and including any necessary Software, e.g., central processing unit, memory module, tape unit, card reader, etc.
- w) "Machine Alteration" means any change to a Contractor -- supplied Machine which is not made by the Contractor, and which results in the Machine deviating from its physical, mechanical, electrical, or electronic (including microcode) design, whether or not additional devices or parts are employed in making such change.
- x) "Maintenance Diagnostic Routines" means the diagnostic programs customarily used by the Contractor to test Equipment for proper functioning and reliability.
- y) "Manufacturing Materials" means parts, tools, dies, jigs, fixtures, plans, drawings, and information produced or acquired, or rights acquired, specifically to fulfill obligations set forth herein.
- z) "Mean Time Between Failure (MTBF)" means the average expected or observed time between consecutive failures in a System or component.
- aa) "Mean Time to Repair (MTTR)" means the average expected or observed time required to repair a System or component and return it to normal operation.
- bb) "Operating Software" means those routines, whether or not identified as Program Products, that reside in the Equipment and are required for the Equipment to perform its intended function(s), and which interface the operator, other Contractor-supplied programs, and user programs to the Equipment.
- cc) "Operational Use Time" means for performance measurement purposes, that time during which Equipment is in actual operation by the State. For maintenance Operational Use Time purposes, that time during which Equipment is in actual operation and is not synonymous with power on time.
- dd) "Performance Testing Period" means a period of time during which the State, by appropriate tests and production runs, evaluates the performance of newly installed Equipment and Software prior to its acceptance by the State.
- ee) "Period of Maintenance Coverage" means the period of time, as selected by the State, during which maintenance services are provided by the Contractor for a fixed monthly charge, as opposed to an hourly charge for services rendered. The Period of Maintenance Coverage consists of the Principal Period of Maintenance and any additional hours of coverage per day, and/or increased coverage for weekends and holidays.
- ff) "Preventive Maintenance" means that maintenance, performed on a scheduled basis by the Contractor, which is designed to keep the Equipment in proper operating condition.
- gg) "Principal Period of Maintenance" means any nine consecutive hours per day (usually between the hours of 7:00 a.m. and 6:00 p.m.) as selected by the State, including an official meal period not to exceed one hour, Monday through Friday, excluding holidays observed at the installation.
- hh) "Programming Aids" means Contractor-supplied programs and routines executable on the Contractor's Equipment which assists a programmer in the development of applications including language processors, sorts, communications modules, data base management systems, and utility routines, (tape-to-disk routines, disk-to-print routines, etc.).
- ii) "Program Product" means programs, routines, subroutines, and related items which are proprietary to the Contractor and which are licensed to the State for its use, usually on the basis of separately stated charges and appropriate contractual provisions.
- jj) "Remedial Maintenance" means that maintenance performed by the Contractor which results from Equipment (including Operating Software) failure, and which is performed as required, i.e., on an unscheduled basis.
- kk) "Site License" means for each product, the term "Site License" shall mean the license established upon acquisition of the applicable number of copies of such product and payment of the applicable license fees as set forth in the Statement of Work.
- ll) "Software" means an all-inclusive term which refers to any computer programs, routines, or subroutines supplied by the Contractor, including Operating Software, Programming Aids, Application Programs, and Program Products.
- mm) "Software Failure" means a malfunction in the Contractor -- supplied Software, other than Operating Software, which prevents the accomplishment of work, even though the Equipment (including its Operating Software) may still be capable of operating properly. For Operating Software failure, see definition of Equipment Failure.
- nn) "State" means the government of the State of Rhode Island, its employees and authorized representatives, including without limitation any department, agency, or other unit of the government of the State of Rhode Island.
- oo) "System" means the complete collection of Hardware, Software and services as described in this Contract, integrated and functioning together, and performing in accordance with this Contract.
- pp) "U.S. Intellectual Property Rights" means intellectual property rights enforceable in the United States of America, including without limitation rights in trade secrets, copyrights, and U.S. patents.
- 2. COMPLETE INTEGRATION:**
This Contract, including any documents incorporated herein by express reference, is intended to be a complete integration and there are no prior or contemporaneous different or additional agreements pertaining to the subject matter of the Contract.
- 3. SEVERABILITY:**
The Contractor and the State agree that if any provision of this Contract is found to be illegal or unenforceable, such term or provision shall be deemed stricken and the remainder of the Contract shall remain in full force and effect. Either party having knowledge of such term or provision shall promptly inform the other of the presumed non-applicability of such provision.
- 4. INDEPENDENT CONTRACTOR:**
Contractor and the agents and employees of Contractor, in the performance of this Contract, shall act in an independent capacity and not as officers or employees or agents of the State.
- 5. APPLICABLE LAW:**
This Contract shall be governed by and shall be interpreted in accordance with the laws of the State of Rhode Island; venue of any action brought with regard to this Contract shall be in Providence County, Providence, Rhode Island. The United Nations Convention on Contracts for the International Sale of

Goods shall not apply to this Contract.

6. COMPLIANCE WITH STATUTES AND REGULATIONS:

- a) Contractor warrants and certifies that in the performance of this Contract, it will comply with all applicable statutes, rules, regulations and orders of the United States and the State of Rhode Island and agrees to indemnify the State against any loss, cost, damage or liability by reason of the Contractor's violation of this provision.
- b) If this Contract is in excess of \$500,000, it is subject to the requirements of the World Trade Organization (WTO) Government Procurement Agreement (GPA).

7. CONTRACTOR'S POWER AND AUTHORITY:

The Contractor warrants that it has full power and authority to grant the rights herein granted and will hold the State harmless from and against any loss, cost, liability, and expense (including reasonable attorney fees) arising out of any breach of this warranty. Further, Contractor avers that it will not enter into any arrangement with any third party, which might abridge any rights of the State under this Contract.

8. ASSIGNMENT:

This Contract shall not be assignable by the Contractor in whole or in part without the written consent of the State. For the purpose of this paragraph, State will not unreasonably prohibit Contractor from freely assigning its right to payment, provided that Contractor remains responsible for its obligations hereunder.

9. WAIVER OF RIGHTS:

Any action or inaction by the State or the failure of the State on any occasion, to enforce any right or provision of the Contract, shall not be construed to be a waiver by the State of its rights hereunder and shall not prevent the State from enforcing such provision or right on any future occasion. The rights and remedies of the State herein are cumulative and are in addition to any other rights or remedies that the State may have at law or in equity.

10. ORDER OF PRECEDENCE:

In the event of any inconsistency between the articles, attachments, specifications or provisions which constitute this Contract, the following order of precedence shall apply:

- a) these General Provisions - Information Technology Supplemental Terms & Conditions for MPA 230;
- b) contract form, i.e., Purchase Order, Agreement, etc., and any amendments thereto;
- c) information technology special provisions;
- d) statement of work, including any specifications incorporated by reference herein; and
- e) all other attachments incorporated in the contract by reference.

11. PACKING AND SHIPMENT:

- a) All Goods are to be packed in suitable containers for protection in shipment and storage, and in accordance with applicable specifications. Each container of a multiple container shipment shall be identified to:
 - i) show the number of the container and the total number of containers in the shipment; and
 - ii) the number of the container in which the packing sheet has been enclosed.
- b) All shipments by Contractor or its subcontractors must include packing sheets identifying: the State's Contract number; item number; quantity and unit of measure; part number and description of the Goods shipped; and appropriate evidence of inspection, if required. Goods for

different Contracts shall be listed on separate packing sheets.

- c) Shipments must be made as specified in this Contract, as it may be amended, or otherwise directed in writing by the State's Transportation Management Unit within the Department of General Services, Procurement Division.

12. TRANSPORTATION COSTS AND OTHER FEES OR EXPENSES:

No charge for delivery, drayage, express, parcel post, packing, cartage, insurance, license fees, permits, cost of bonds, or for any other purpose will be paid by the State unless expressly included and itemized in the Contract.

- a) Contractor must strictly follow Contract requirements regarding Free on Board (F.O.B.), freight terms and routing instructions. The State may permit use of an alternate carrier at no additional cost to the State with advance written authorization of the Buyer.
- b) If "prepay and add" is selected, supporting freight bills are required when over \$50, unless an exact freight charge is approved by the Transportation Management Unit within the Department of General Services Procurement Division and a waiver is granted.
- c) On "F.O.B. Shipping Point" transactions, should any shipments under the Contract be received by the State in a damaged condition and any related freight loss and damage claims filed against the carrier or carriers be wholly or partially declined by the carrier or carriers with the inference that damage was the result of the act of the shipper such as inadequate packaging or loading or some inherent defect in the Equipment and/or material, Contractor, on request of the State, shall at Contractor's own expense assist the State in establishing carrier liability by supplying evidence that the Equipment and/or material was properly constructed, manufactured, packaged, and secured to withstand normal transportation conditions.
 - a) The State will not reimburse the Contractor for any Travel or Entertainment expenses.

13. DELIVERY:

Contractor shall strictly adhere to the delivery and completion schedules specified in this Contract. Time, if stated as a number of days, shall mean calendar days unless otherwise specified. The quantities specified herein are the only quantities required. If Contractor delivers in excess of the quantities specified herein, the State shall not be required to make any payment for the excess Deliverables, and may return them to Contractor at Contractor's expense or utilize any other rights available to the State at law or in equity.

14. SUBSTITUTIONS:

Substitution of Deliverables may not be tendered without advance written consent of the Buyer. Contractor shall not use any specification in lieu of those contained in the Contract without written consent of the Buyer.

15. INSPECTION, ACCEPTANCE AND REJECTION:

- a) Payment terms may be based on work accepted - per deliverable, minus a retainage;
- b) For partially complete deliverables, payment will be based upon time worked as a percentage of total estimate, with a 25% retainage held back until individual deliverables are accepted.
- c) Upon acceptance of individual deliverable(s), an additional 15% of the cost of that deliverable will be paid.

- d) The final balance will be paid upon final acceptance of all deliverables contracted in the engagement

Unless otherwise specified in the Statement of Work:

- a) Contractor and its subcontractors will provide and maintain a quality assurance system acceptable to the State covering Deliverables and services under this Contract and will tender to the State only those Deliverables that have been inspected and found to conform to this Contract's requirements. Contractor will keep records evidencing inspections and their result, and will make these records available to the State during Contract performance and for three years after final payment. Contractor shall permit the State to review procedures, practices, processes, and related documents to determine the acceptability of Contractor's quality assurance System or other similar business practices related to performance of the Contract.
- b) All Deliverables may be subject to inspection and test by the State or its authorized representatives.
- c) Contractor and its subcontractors shall provide all reasonable facilities for the safety and convenience of inspectors at no additional cost to the State. Contractor shall furnish to inspectors all information and data as may be reasonably required to perform their inspection.
- d) All Deliverables may be subject to final inspection, test and acceptance by the State at destination, notwithstanding any payment or inspection at source.

16. SAMPLES:

- a) Samples of items may be required by the State for inspection and specification testing and must be furnished free of expense to the State. The samples furnished must be identical in all respects to the products bid and/or specified in the Contract.
- b) Samples, if not destroyed by tests, may, upon request made at the time the sample is furnished, be returned at Contractor's expense.

17. WARRANTY:

- a) Unless otherwise specified in the Statement of Work, the warranties in this subsection a) begin upon acceptance of the Deliverable or service in question and end one (1) year thereafter. Contractor warrants that (i) Deliverables and services furnished hereunder will substantially conform to the requirements of this Contract (including without limitation all descriptions, specifications, and drawings identified in the Statement of Work), and (ii) the Deliverables will be free from material defects in materials and workmanship. Where the parties have agreed to design specifications (such as a Detailed Design Document) and incorporated the same or equivalent in the Statement of Work directly or by reference, Contractor will warrant that its Deliverables provide all material functionality required thereby. In addition to the other warranties set forth herein, where the Contract calls for delivery of Commercial Software, Contractor warrants that such Software will perform in accordance with its license and accompanying Documentation. The State's approval of designs or specifications furnished by Contractor shall not relieve the Contractor of its obligations under this warranty.
- b) Contractor warrants that Deliverables furnished hereunder (i) will be free, at the time of delivery, of harmful code (i.e. computer viruses, worms, trap doors, time bombs, disabling code, or any similar malicious mechanism

designed to interfere with the intended operation of, or cause damage to, computers, data, or Software); and (ii) will not infringe or violate any U.S. Intellectual Property Right. Without limiting the generality of the foregoing, if the State believes that harmful code may be present in any Commercial Software delivered hereunder, Contractor will, upon the State's request, provide a master copy of the Software for comparison and correction.

- c) Unless otherwise specified in the Statement of Work: (i) Contractor does not warrant that any Software provided hereunder is error-free or that it will run without immaterial interruption. (ii) Contractor does not warrant and will have no responsibility for a claim to the extent that it arises directly from (A) a modification made by the State, unless such modification is approved or directed by Contractor, (B) use of Software in combination with or on products other than as specified by Contractor, or (C) misuse by the State. (iii) Where Contractor resells Hardware or Software it purchased from a third party, and such third party offers additional or more advantageous warranties than those set forth herein, Contractor will pass through any such warranties to the State and will reasonably cooperate in enforcing them. Such warranty pass-through will be supplemental to, and not relieve Contractor from, Contractor's warranty obligations set forth above.
- d) All warranties, including special warranties specified elsewhere herein, shall inure to the State, its successors, assigns, customer agencies, and governmental users of the Deliverables or services.
- e) Except as may be specifically provided in the Statement of Work or elsewhere in this Contract, for any breach of the warranties provided in this Section, the State's exclusive remedy and Contractor's sole obligation will be limited to: (i) re-performance, repair, or replacement of the nonconforming Deliverable (including without limitation an infringing Deliverable) or service; or (ii) should the State in its sole discretion consent, refund of all amounts paid by the State for the nonconforming Deliverable or service and payment to the State of any additional amounts necessary to equal the State's Cost to Cover. "Cost to Cover" means the cost, properly mitigated, of procuring Deliverables or services of equivalent capability, function, and performance. The payment obligation in subsection (e)(ii) above will not exceed the limits on Contractor's liability set forth in the Section entitled "Limitation of Liability."

18. SAFETY AND ACCIDENT PREVENTION:

In performing work under this Contract on State premises, Contractor shall conform to any specific safety requirements contained in the Contract or as required by law or regulation. Contractor shall take any additional precautions as the State may reasonably require for safety and accident prevention purposes. Any violation of such rules and requirements, unless promptly corrected, shall be grounds for termination of this Contract in accordance with the default provisions hereof.

19. INSURANCE:

When performing work on property in the care, custody or control of the State, Contractor shall maintain all commercial general liability insurance, workers' compensation insurance and any other insurance the State deems appropriate under the Contract. Contractor shall furnish an insurance certificate evidencing required insurance coverage acceptable to the State. Upon request by the Buyer, the Contractor may be required to have the State shown as an "additional insured"

on selected policies. In addition, the Contractor must maintain an Errors and Omissions policy with limits of no less than One Million Dollars (\$1,000,000).

20. TERMINATION FOR NON-APPROPRIATION OF FUNDS:

- a) If the term of this Contract extends into fiscal years subsequent to that in which it is approved, such continuation of the Contract is contingent on the appropriation of funds for such purpose by the Legislature. If funds to effect such continued payment are not appropriated, Contractor agrees to take back any affected Deliverables furnished under this Contract, terminate any services supplied to the State under this Contract, and relieve the State of any further obligation therefore.
- b) STATE AGREES THAT IF PARAGRAPH a) ABOVE IS INVOKED, DELIVERABLES SHALL BE RETURNED TO THE CONTRACTOR IN SUBSTANTIALLY THE SAME CONDITION IN WHICH DELIVERED TO THE STATE, SUBJECT TO NORMAL WEAR AND TEAR. STATE FURTHER AGREES TO PAY FOR PACKING, CRATING, TRANSPORTATION TO CONTRACTOR'S NEAREST FACILITY AND FOR REIMBURSEMENT TO THE CONTRACTOR FOR EXPENSES INCURRED FOR THEIR ASSISTANCE IN SUCH PACKING AND CRATING.

21. TERMINATION FOR THE CONVENIENCE OF THE STATE:

- a) The State may terminate performance of work under this Contract for its convenience in whole or, from time to time, by notice of Termination specifying the extent of termination and the effective date thereof.
- b) After receipt of a Notice of Termination, and except as directed by the State, the Contractor shall immediately proceed with the following obligations, as applicable, regardless of any delay in determining or adjusting any amounts due under this clause. The Contractor shall:
 - (i) Stop work as specified in the Notice of Termination.
 - (ii) Place no further subcontracts for materials, services, or facilities, except as necessary to complete the continuing portion of the Contract.
 - (iii) Terminate all subcontracts to the extent they relate to the work terminated.
 - (iv) Settle all outstanding liabilities and termination settlement proposals arising from the termination of subcontracts;
- c) Unless otherwise set forth in the Statement of Work, if the Contractor and the State fail to agree on the amount to be paid because of the termination for convenience, the State will pay the Contractor the following amounts; provided that in no event will total payments exceed the amount payable to the Contractor if the Contract had been fully performed:
 - (i) The Contract price for Deliverables or services accepted by the State and not previously paid for, adjusted for any savings on freight and other charges; and
 - (ii) The total of:
 - A) The reasonable costs incurred in the performance of the work terminated, including initial costs and preparatory expenses allocable thereto, but excluding any cost attributable to Deliverables or services paid or to be paid;
 - B) The reasonable cost of settling and paying termination settlement proposals under terminated

subcontracts that are properly chargeable to the terminated portion of the Contract; and

C) Reasonable storage, transportation, demobilization, unamortized overhead and capital costs, and other costs reasonably incurred by the Contractor in winding down and terminating its work.

d) The Contractor will use generally accepted accounting principles, or accounting principles otherwise agreed to in writing by the parties, and sound business practices in determining all costs claimed, agreed to, or determined under this clause.

22. TERMINATION FOR DEFAULT:

- a) The State may, subject to the clause titled "Force Majeure" and to sub-section d) below, by written notice of default to the Contractor, terminate this Contract in whole or in part if the Contractor fails to:
 - i) Deliver the Deliverables or perform the services to acceptable quality standards as determined by the state within the time specified in the Contract or any amendment thereto;
 - ii) Make progress, so that the lack of progress endangers performance of this Contract; or
 - iii) Perform any of the other provisions of this Contract.
 - iv) Breach of state policies or procedures
- b) The State's right to terminate this Contract under sub-section a) above, may be exercised if the failure constitutes a material breach of this Contract and if the Contractor does not cure such failure within the time frame stated in the State's cure notice, which in no event will be less than fifteen (15) days, unless the Statement of Work calls for a shorter period.
- c) If the State terminates this Contract in whole or in part pursuant to this Section, it may acquire, under terms and in the manner the Buyer considers appropriate, Deliverables or services similar to those terminated, and the Contractor will be liable to the State for any excess costs for those Deliverables and services, including without limitation costs third party vendors charge for Manufacturing Materials (but subject to the clause entitled "Limitation of Liability"). However, the Contractor shall continue the work not terminated.
- d) If the Contract is terminated for default, the State may require the Contractor to transfer title, or in the case of licensed Software, license, and deliver to the State, as directed by the Buyer, any:
 - (i) completed Deliverables,
 - (ii) partially completed Deliverables, and,
 - (iii) subject to provisions of sub-section e) below, Manufacturing Materials related to the terminated portion of this Contract. Nothing in this sub-section d) will be construed to grant the State rights to Deliverables that it would not have received had this Contract been fully performed. Upon direction of the Buyer, the Contractor shall also protect and preserve property in its possession in which the State has an interest.
- e) The State shall pay Contract price for completed Deliverables delivered and accepted. Unless the Statement of Work calls for different procedures or requires no-charge delivery of materials, the Contractor and Buyer shall attempt to agree on the amount of payment for Manufacturing Materials and other materials delivered and accepted by the State for the protection and preservation of the property; provided that where the Contractor has

billed the State for any such materials, no additional charge will apply. Failure to agree will constitute a dispute under the Disputes clause. The State may withhold from these amounts any sum it determines to be necessary to protect the State against loss because of outstanding liens or claims of former lien holders.

- f) If, after termination, it is determined by a final ruling in accordance with the Disputes Clause that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the State.
- g) The rights and remedies of the State in this clause are in addition to any other rights and remedies provided by law or under this Contract, and are subject to the clause titled "Limitation of Liability."

23. FORCE MAJEURE:

Except for defaults of subcontractors at any tier, the Contractor shall not be liable for any excess costs if the failure to perform the Contract arises from causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include, but are not limited to:

- a) Acts of God or of the public enemy, and
- b) Acts of the federal or State government in either its sovereign or contractual capacity. If the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either, the Contractor shall not be liable for any excess costs for failure to perform, unless the subcontracted Deliverables or services were obtainable from other sources in sufficient time for the Contractor to meet the required delivery schedule.

24. RIGHTS AND REMEDIES OF STATE FOR DEFAULT:

- a) In the event any Deliverables furnished or services provided by the Contractor in the performance of the Contract should fail to conform to the requirements herein, or to the sample submitted by the Contractor, the State may reject the same, and it shall become the duty of the Contractor to reclaim and remove the item promptly or to correct the performance of services, without expense to the State, and immediately replace all such rejected items with others conforming to the Contract.
- b) In addition to any other rights and remedies the State may have, the State may require Contractor, at Contractor's expense, to ship Deliverables via air freight or expedited routing to avoid or minimize actual or potential delay if the delay is the fault of the Contractor.
- c) In the event of the termination of the Contract, either in whole or in part, by reason of default or breach by the Contractor, any loss or damage sustained by the State in procuring any items which the Contractor agreed to supply shall be borne and paid for by the Contractor.
- d) The State reserves the right to offset the reasonable cost of all damages caused to the State against any outstanding invoices or amounts owed to Contractor or to make a claim against the Contractor therefore.

25. LIMITATION OF LIABILITY:

- a) The limitation of liability shall not apply (i) to liability under the General Provisions, entitled "Patent, Copyright, and Trade Secret Protection" or to any other liability (including without limitation indemnification obligations) for infringement of third party intellectual

property rights; (ii) to claims covered by any specific provision herein calling for liquidated damages; (iii) to claims arising under provisions herein calling for indemnification for third party claims against the State for bodily injury to persons or damage to real or tangible personal property caused by Contractor's negligence or willful misconduct; or (iv) to costs or attorney's fees that the State becomes entitled to recover as a prevailing party in any action.

- b) The State's liability for damages for any cause whatsoever, and regardless of the form of action, whether in contract or in tort, shall be limited to the Purchase Price, as that term is defined in subsection a) above. Nothing herein shall be construed to waive or limit the State's sovereign immunity or any other immunity from suit provided by law.

26. CONTRACTOR'S LIABILITY FOR INJURY TO PERSONS OR DAMAGE TO PROPERTY:

- a) The Contractor shall be liable for damages arising out of injury to the person and/or damage to the property of the State, employees of the State, persons designated by the State for training, or any other person(s) other than agents or employees of the Contractor, designated by the State for any purpose, prior to, during, or subsequent to delivery, installation, acceptance, and use of the Deliverables either at the Contractor's site or at the State's place of business, provided that the injury or damage was caused by the fault or negligence of the Contractor.
- b) Contractor shall not be liable for damages arising out of or caused by an alteration or an Attachment not made or installed by the Contractor, or for damage to alterations or Attachments that may result from the normal operation and maintenance of the Deliverables provided by the Contractor during the Contract.

27. INDEMNIFICATION:

Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all third party claims, costs (including without limitation reasonable attorneys' fees), and losses due to the injury or death of any individual, or the loss or damage to any real or tangible personal property, resulting from the willful misconduct or negligent acts or omissions of Contractor or any of its agents, subcontractors, employees, suppliers, laborers, or any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this Contract. Such defense and payment will be conditional upon the following:

- a) The State will notify Contractor of any such claim in writing and tender the defense thereof within a reasonable time; and
- b) Contractor will have sole control of the defense of any action on such claim and all negotiations for its settlement or compromise; provided that (i) when substantial principles of government or public law are involved, when litigation might create precedent affecting future State operations or liability, or when involvement of the State is otherwise mandated by law, the State may participate in such action at its own expense with respect to attorneys' fees and costs (but not liability); (ii) the State will have the right to approve or disapprove any settlement or compromise, which approval will not unreasonably be withheld or delayed;

and (iii) the State will reasonably cooperate in the defense and in any related settlement negotiations.

28. INVOICES:

Unless otherwise specified, invoices shall be sent to the address set forth herein. Invoices shall be submitted monthly in triplicate and shall include the Contract number; release order number (if applicable); item number; unit price, extended item price and invoice total amount.

29. TAXES:

Unless otherwise required by law, the State of Rhode Island is exempt from Federal excise taxes. The State will only pay for any State or local sales or use taxes on the services rendered or Goods supplied to the State pursuant to this Contract.

30. NEWLY MANUFACTURED GOODS:

All Goods furnished under this Contract shall be newly manufactured Goods; used or reconditioned Goods are prohibited, unless otherwise specified.

31. CONTRACT MODIFICATION:

No amendment or variation of the terms of this Contract shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in the Contract is binding on any of the parties.

32. CONFIDENTIALITY OF DATA:

All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the Contractor in order to carry out this Contract, or which become available to the Contractor in carrying out this Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of this Contract, or is rightfully obtained from third parties. . . . Hired contractor staff may be required to sign a non-disclosure form.

33. NEWS RELEASES:

Unless otherwise exempted, news releases pertaining to this Contract shall not be made without prior written approval of the Office of the CIO.

34. DOCUMENTATION:

a) The Contractor agrees to provide to the State, at no charge, a number of all nonproprietary manuals and other printed materials, as described within the Statement of Work, and updated versions thereof, which are necessary or useful to

the State in its use of the Equipment or Software provided hereunder. Documentation must be sufficient to use, operate, support and integrate the system, satisfactory to the State. The Contractor agrees to provide additional Documentation at prices not in excess of charges made by the Contractor to its other customers for similar Documentation.

b) ~~If the Contractor is unable to perform maintenance or the State desires to perform its own maintenance on Equipment purchased under this Contract then upon written notice by the State the Contractor will provide at Contractor's then current rates and fees adequate and reasonable assistance including relevant Documentation to allow the State to maintain the Equipment based on Contractor's methodology. The Contractor agrees that the State may reproduce such Documentation for its own use in maintaining the Equipment.~~

If the Contractor is unable to perform maintenance, the Contractor agrees to license any other Contractor that the State may have hired to maintain the Equipment to use the above noted Documentation. The State agrees to include the Contractor's copyright notice on any such Documentation reproduced, in accordance with copyright instructions to be provided by the Contractor.

35. RIGHTS IN WORK PRODUCT:

All work will be "work for hire" with all rights to intellectual property inuring to the State. The Contractor agrees to make no claims to the intellectual property created in connection with this Contract.

a) State agrees that all material appropriately marked or identified in writing as proprietary, and furnished hereunder are provided for State's exclusive use for the purposes of this Contract only. All such proprietary data shall remain the property of the Contractor. State agrees to take all reasonable steps to insure that such proprietary data are not disclosed to others, without prior written consent of the Contractor, subject to the Rhode Island Access to Public Records Act.

b) The State will insure, prior to disposing of any media, that any licensed materials contained thereon have been erased or otherwise destroyed.

c) The State agrees that it will take appropriate action by instruction, agreement or otherwise with its employees or other persons permitted access to licensed software and other proprietary data to satisfy its obligations under this Contract with respect to use, copying, modification, protection and security of proprietary software and other proprietary data.

36. PATENT, COPYRIGHT AND TRADE SECRET INDEMNITY:

a) Contractor will indemnify, defend, and save harmless the State, its officers, agents, and employees, from any and all third party claims, costs (including without limitation reasonable attorneys' fees), and losses for infringement or violation of any U.S. Intellectual Property Right by any product or service provided hereunder. With respect to claims arising from computer Hardware or Software manufactured by a third party and sold by Contractor as a reseller, Contractor will pass through to the State such indemnity rights as it receives from such third party ("Third Party Obligation") and will cooperate in enforcing them; provided that if the third party manufacturer fails to honor the Third Party Obligation, Contractor will provide the State with indemnity protection equal to that called for by the Third Party Obligation, but in no event greater than

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- that called for in the first sentence of this Section 39a). The provisions of the preceding sentence apply only to third party computer Hardware or Software sold as a distinct unit and accepted by the State. *Unless* a Third Party Obligation provides otherwise, the defense and payment obligations set forth in this Section 39a) will be conditional upon the following:
- i) The State will notify Contractor of any such claim in writing and tender the defense thereof within a reasonable time; and
 - ii) Contractor will have sole control of the defense of any action on such claim and all negotiations for its settlement or compromise; provided that (i) when substantial principles of government or public law are involved, when litigation might create precedent affecting future State operations or liability, or when involvement of the State is otherwise mandated by law, the State may participate in such action at its own expense with respect to attorneys' fees and costs (but not liability); (ii) the State will have the right to approve or disapprove any settlement or compromise, which approval will not unreasonably be withheld or delayed; and
 - (iii) the State will reasonably cooperate in the defense and in any related settlement negotiations.
- b) Contractor may be required to furnish a bond to the State against any and all loss, damage, costs, expenses, claims and liability for patent, copyright and trade secret infringement.
 - c) Should the Deliverables or Software, or the operation thereof, become, or in the Contractor's opinion are likely to become, the subject of a claim of infringement or violation of a U.S. Intellectual Property Right, the State shall permit the Contractor at its option and expense either to procure for the State the right to continue using the Deliverables or Software, or to replace or modify the same so that they become non-infringing. If none of these options can reasonably be taken, or if the use of such Deliverables or Software by the State shall be prevented by injunction, the Contractor agrees to take back such Deliverables or Software and make every reasonable effort to assist the State in procuring substitute Deliverables or Software. If, in the sole opinion of the State, the return of such infringing Deliverables or Software makes the retention of other Deliverables or Software acquired from the Contractor under this Contract impractical, the State shall then have the option of terminating such Contracts, or applicable portions thereof, without penalty or termination charge. The Contractor agrees to take back such Deliverables or Software and refund any sums the State has paid Contractor less any reasonable amount for use or damage.
 - d) The Contractor shall have no liability to the State under any provision of this clause with respect to any claim of patent, copyright or trade secret infringement which is based upon:
 - (i) The combination or utilization of Deliverables furnished hereunder with Equipment or devices not made or furnished by the Contractor; or,
 - (ii) The operation of Equipment furnished by the Contractor under the control of any Operating Software other than, or in addition to, the current version of Contractor-supplied Operating Software; or
 - (iii) The modification by the State of the Equipment furnished hereunder or of the Software; or
 - (iv) The combination or utilization of Software furnished hereunder with non-contractor supplied Software.
 - e) Contractor certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Contract for the acquisition, operation or maintenance of computer Software in violation of copyright laws.
- 37. EXAMINATION AND AUDIT:**
Contractor agrees that the State, or its designated representative shall have the right to review and copy any records and supporting Documentation pertaining to performance of this Contract. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees or others who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Contract.
- 38. STOP WORK:**
- a) The State may, at any time, by written Stop Work Order to the Contractor, require the Contractor to stop all, or any part, of the work called for by this Contract for a period up to 90 days after the Stop Work Order is delivered to the Contractor, and for any further period to which the parties may agree. The Stop Work Order shall be specifically identified as such and shall indicate it is issued under this clause. Upon receipt of the Stop Work Order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the Stop Work Order during the period of work stoppage. Within a period of 90 days after a Stop Work Order is delivered to the Contractor, or within any extension of that period to which the parties shall have agreed, the State shall either:
 - (i) Cancel the Stop Work Order; or
 - (ii) Terminate the work covered by the Stop Work Order as provided for in the termination for default or the termination for convenience clause of this Contract.
 - b) If a Stop Work Order issued under this clause is canceled or the period of the Stop Work Order or any extension thereof expires, the Contractor shall resume work. The State shall make an equitable adjustment in the delivery schedule, the Contract price, or both, and the Contract shall be modified, in writing, accordingly, if:
 - (i) The Stop Work Order results in an increase in the time required for, or in the Contractor's cost properly allocable to the performance of any part of this Contract; and
 - (ii) The Contractor asserts its right to an equitable adjustment within 30 days after the end of the period of work stoppage; provided, that if the State decides the facts justify the action, the State may receive and act upon a proposal submitted at any time before final payment under this Contract.
 - c) If a Stop Work Order is not canceled and the work covered by the Stop Work Order is terminated in accordance with the provision entitled Termination for the Convenience of the State, the State shall allow reasonable costs resulting from the Stop Work Order in arriving at the termination settlement.
 - d) The State shall not be liable to the Contractor for loss of profits because of a Stop Work Order issued under this clause.
- 39. COVENANT AGAINST GRATUITIES:**
The Contractor warrants that no gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by

the Contractor, or any agent or representative of the Contractor, to any officer or employee of the State with a view toward securing the Contract or securing favorable treatment with respect to any determinations concerning the performance of the Contract. For breach or violation of this warranty, the State shall have the right to terminate the Contract, either in whole or in part, and any loss or damage sustained by the State in procuring on the open market any items which Contractor agreed to supply shall be borne and paid for by the Contractor. The rights and remedies of the State provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or in equity.

40. FOUR-DIGIT DATE COMPLIANCE:

Contractor warrants that it will provide only Four-Digit Date Compliant (as defined below) Deliverables and/or services to the State. "Four Digit Date Compliant" Deliverables and services can accurately process, calculate, compare, and sequence date data, including without limitation date data arising out of or relating to leap years and changes in centuries. This warranty and representation is subject to the warranty terms and conditions of this Contract and does not limit the generality of warranty obligations set forth elsewhere herein.

41. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that Contractor complies with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq).

42. GOVERNANCE:

Contractor acknowledges that this engagement is through the Office of the State Chief Information Officer (CIO) and the Division Of Purchasing.

43. ADDITIONAL INFORMATION

The State has the right to require the Contractor to provide additional and periodic information at any time to demonstrate the continued financial responsibility of the Contractor.

44. NAMED INDIVIDUALS ONLY

All work will be performed only by the specific employees named and agreed to. The Contractor will not use any other employee, independent contractor, company or subcontractor without the prior written consent of the CIO and the Division of Purchasing. Any breach of this condition will be cause for default, with the state reserving the right to cancel the Purchase Order. Any waiver of this condition allowing for substitution must be done in writing.

45. INDIVIDUAL ENGAGEMENTS

The State reserves the right to negotiate pricing on individual engagements. Such terms may be different from the stated amount in the Master Blanket or Purchase Order.

46. BACKGROUND CHECKS/ NON DISCLOSURE FORM

The State reserves the right, in its absolute discretion, to conduct criminal and civil background checks prior to or during the term of this Contract. Hired contractor staff may be required to sign a non-disclosure form.

47. DRUG TESTS

The State reserves the right, in its absolute discretion, to conduct drug test(s) on individuals prior to or during the term of this Contract.

48. INDIVIDUAL DELIVERABLES:

The State reserves the right, in its absolute discretion, to accept or reject individual deliverables, with an obligation to pay only for those deliverables accepted. The State may agree, in its absolute discretion, to pay a prorated amount of the deliverable price based on a percentage completion of the deliverables.

49. CHANGE IN PRICE OF DELIVERABLES:

Any change in the price for any deliverable must receive the prior written approval of the CIO, or his designee and the Division of Purchasing.

50. CHANGES IN PERSONNEL:

Contractor may be responsible, for reimbursement to the State, for all costs associated with unplanned turnover including, but not limited to briefing and training any new consultants hired by the Contractor after the issuance of the Purchase Order.

The cost reimbursement contemplated in this paragraph is not intended to suggest that the vendor providing services under a purchase order release is guaranteed the opportunity to replace resources due to unplanned turnover, rather replacement of named individuals under a purchase order release is subject to the terms outlined in Paragraph 45.

51. MODIFICATIONS TO TERMS, CONDITIONS, POLICIES ETC:

The Terms, Conditions, Policies and Procedures may be changed during the period of this Contract, provided fifteen (15) days prior written notice is provided to the Contractor. Posting on the Information Technology Divisions website shall constitute permissible notice under this section.

52. PERIODIC REPORTING:

The State reserves the right to request that the Contractor will provide a report, to the CIO, his/her designee or an Agency IT manager, summarizing all contracts with the State, or in the case of an Agency IT Manager, for a Department, deliverables completed, hours and rates billed, and any material issues during that period.

53. WAIVER OF NON-COMPETITION AND RELATED AGREEMENTS

The Contractor agrees that the State may hire any employee, consultant or independent contractor of the Contractor after the employee, consultant or independent contractor has performed services for the State for period of eighteen (18) months (of 100 hours or more / month) or greater without the payment of any referral fee or other compensation to the Contractor. The Contractor agrees not to enforce any noncompetition or related agreements to which the employee, consultant or independent contractor is a party and waives any and all claims against the State. If the employee, consultant or independent contractor performed services for the State for a period of less than eighteen (18) months then a referral fee or alternate form of compensation will be negotiated in good faith, not to exceed fifteen percent (15%) of the first year state salary of the employee.

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Deleted: Remove this: Unless the parties agree otherwise, the Contractor will pay one (1) week cost reimbursement for each month of completed work under the Contract



State of Rhode Island

Division of Information Technology
Operations Group

Enterprise Change Management

Process Charter

Purpose

The modern functioning of State Government relies on the collection, analysis, production, communication, and distribution of information within various state departments, other governmental organizations, business partners, and citizens. The information systems enabling these activities, their users, and supporting infrastructure are crucial, strategic, organizational assets that require efficient quality service to provide maximum value to the organization. Achieving a consistent and coherent set of best practices promoting a quality approach to the service and support of the information infrastructure is the goal of the Division's service management activities. One foundation of these service management activities is Change Management.

The Enterprise Change Management process ensures standard methods and procedures minimize the impact of change related incidents on the quality of services provided to the enterprise, and efficiently and securely improve daily operations. The Enterprise Change Management process also ensures that all changes to the information infrastructure are properly planned, managed, and reviewed prior to their implementation, and measures and reports the impact of change.

The goals of change management include

- Minimize service disruption and impact
- Minimize security threat exposure
- Improve first attempt success rate
- Operating cost reduction

This document outlines the detailed operation of the Enterprise Change Management Process.

Organizational Structure

The Enterprise Change Management authority originates from the CIO. The Operations Group's Change Management function operates as an organizational unit within the

Enterprise Service Desk at the direction of the Director of IT Operations. Change Management process within the Enterprise Service Desk performs following the following change management functions

- Receiving and recording
- Analysis and classification
- Approval
- Implementation
- Verification
- Documentation

Roles and Responsibilities

Enterprise Change Management functions are performed by the following roles.

- Change Management Process Owner will be the Operations Chief
 - The process owner is responsible for the documentation of change control policies, compliance, measuring, reporting, and improving the change management process.
 - The process owner is responsible for the compliance of other service support processes with enterprise change management.
 - Ensures Change Advisory Board is authoritative and effective
 - Ensures change confirms to standards and policies.
 - Ensures cooperation with other service support and service delivery processes.
 - Decides on composition and authority of CAB.
- Change Manager is responsible for process flow
 - Receiving, registering, evaluation approval and implementation of change
 - Ensures management and customers are sufficiently informed as to the schedule and impact of change
 - Chairs Change Advisory Board activities
 - Reports change metrics
 - Recommends process change
 - Approves standard change
 - Change process communications
 - Documentation of change
 - Communicates Forward Schedule of Change to the enterprise.
 - Updates change log of all change activity
 - Closes Request for Change
-
- Service Desk Manager will be responsible for process implementation including
 - Coordination of change management activities with the change manager and the service desk support infrastructure.
 - Resource availability to complete change management tasks
 - Prioritizing change implementation items with other support activities
 - Reporting the impact of change
 - Documentation of change implementation
 - Ensures only approved changes are implemented

- Change Requester
 - Provides clear description of business needs, goals, and objectives of the requested change.
 - Follows Change Management processes for RFC submittal.
 - Confirms completed change can be closed.
 - Participates in post change review change activity.
- Change Owner
 - Provides a clear description of the business needs, goals and objectives of the change
 - Follows the Change Management process for building, testing and implementing a change
 - Provides additional information regarding the change when requested by the Change Manager
 - Reviews the initial “priority” based on predefined priority definitions and changes it if warranted due to new information
 - Confirms the completed change can be closed
 - Participates in the Post Change Review process if requested
 - Locates and assigns resources used to build, test and implement changes

Change Advisory Board is responsible for the assessment and approval of major change

- Convenes on a regular basis to consider requests for change raised
- Advocates for business interests in change assessment
- Evaluates business impact of change and recommends process improvement

Emergency Change Advisory Board is responsible for the assessment and approval of urgent change

- Advocates for minimum risk to essential services for urgent change requests

Enterprise Change Management Operating Procedures

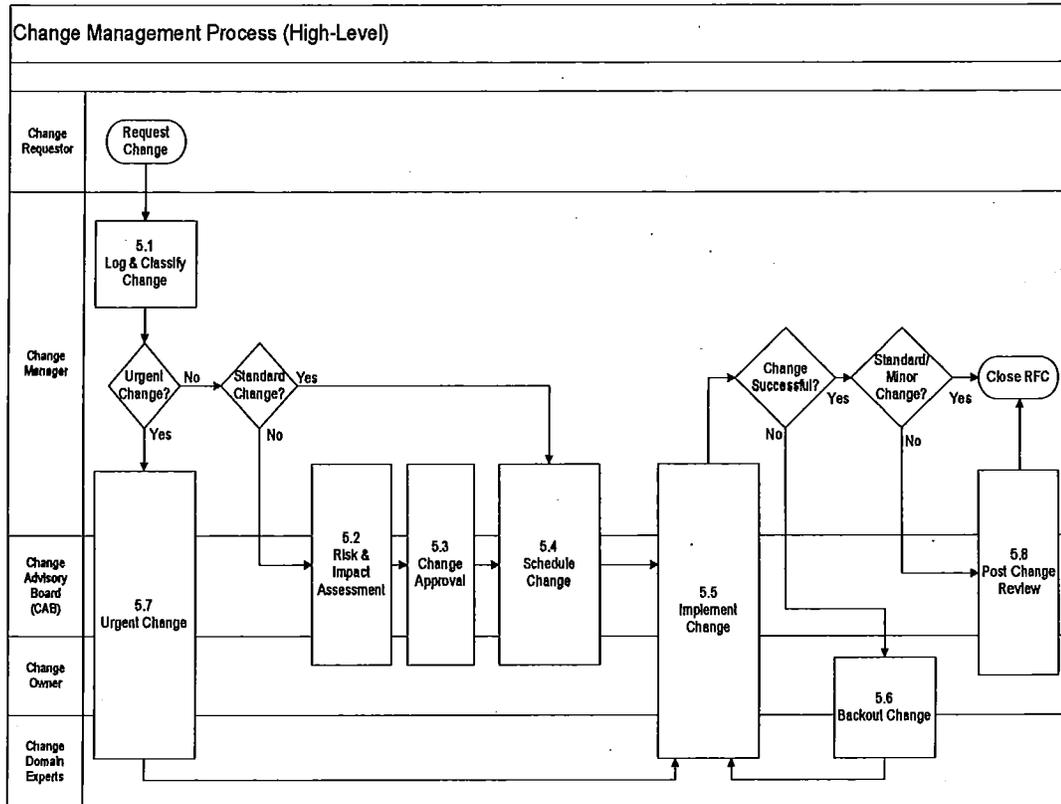
Without well defined procedures the change management process will not meet customer requirements nor set standards for service delivery. These operating procedures apply globally to the enterprise information infrastructure.

1. **Every Request for Change (RFC) affecting one or more Configuration Items (CIs) must follow the Enterprise Change Management Process**
 - The change Management process encompasses all proposed changes to the defined information infrastructure.
 - Requests for Change must be logged in a common database, including Urgent change requests.
 - Changes affecting multiple CIs must explicitly define the relationship between the CIs.
 - All new CIs introduced into the information infrastructure must follow the Enterprise Change Management process

2. **All Requests for Change must be logged and tracked**

- The Enterprise Change Management process must track, record, approve or reject, and close RFCs.
- 3. Formal process procedures and guidelines must be documented and consistently followed within Enterprise Change Management.**
- Process procedures and guidelines must be available to all change management participants.
 - Different change types require different procedures and must be explicitly defined.
 - Enterprise Change Management procedures and process documentation is a CI and are under the control of the Change Management process.
- 4. The Enterprise Change Management will resolve scheduling conflicts when there are dependencies that require concurrent activities.**
- When dependencies require, Change Management must negotiate a coordinated implementation of concurrent change activities.
 - Awareness of concurrent projects and deployment schedules must be managed and maintained through the Change Management process
 - Scheduled project implementations may be delayed due to concurrent dependencies identified by Change Management.
 - Lines of communication will be clearly defined and rigorously adhered to.
- 5. Enterprise Change Management and CI owners (service customers) will have non-ambiguous communications throughout change lifecycle.**
- Proper interaction is required between CI owners, service providers, and Change Management including information pertaining to testing and results.
 - A standard format for reporting of test results must be maintained.
- 6. Enterprise Change Management must manage and implement Urgent Change Requests in a timely manner.**
- A separate change procedure will be followed to test and implement Urgent Change.
 - Following the implementation of urgent change, the normal Change Management process steps will be followed to completion.
 - Change documentation will be completed by the change owner following implementation of Urgent Change.
- 7. Changes identified as Standard Change will follow the Standard Change process.**
- Clear criteria defining Standard Change will be documented, and periodically reviewed and updated.
 - The number and types of Change will be reviewed to determine if the list of Standard Change needs to be revised.

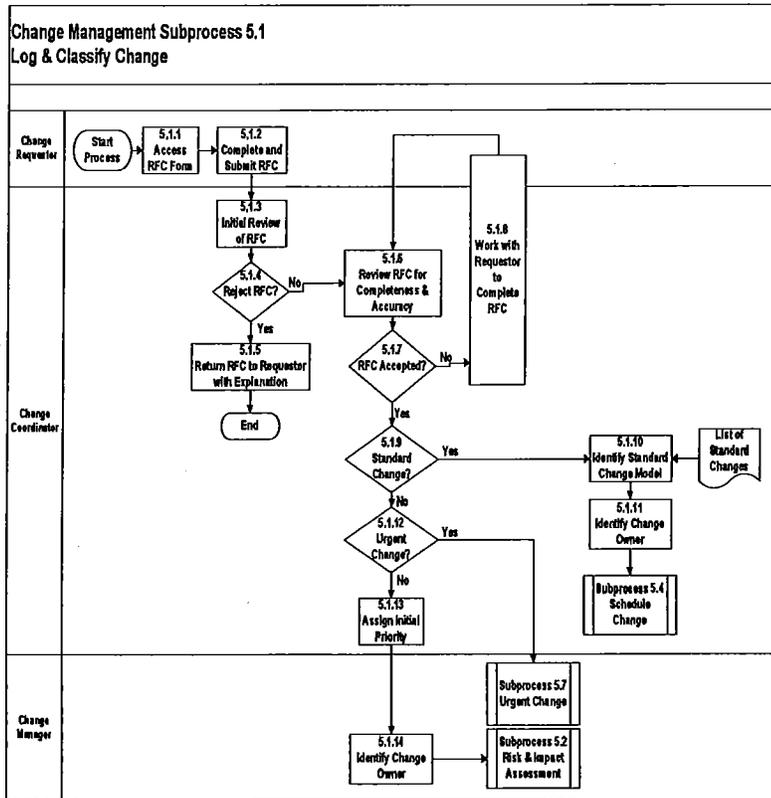
Process Flow and Execution



No	Procedure	Input/Trigger	Description	Output/Completion criteria	Change record status
5.1	<u>Log and Classify Change</u>	Trigger: Request for Change	Change requester submits RFC to Change management process, RFC is reviewed, accepted or rejected, processed, classified, prioritized	Change logging and Classification	Assigned to Change Owner/ Rejected
5.2	<u>Risk & Impact Assessment</u>	Input: Accepted RFC	Identifying and analyzing risk and impact of minor/major change on production environment and business	Change Approval	Accepted In-process Rejected
5.3	<u>Change Approval</u>	Input: Pending change which has been	Review and discuss changes with CAB findings. Allocate the resources to build, test and implement change.	Scheduling change	Accepted, In-Process, Rejected

		assessed and is ready to be approved	Notify about the accepted/rejected change to the requester		
5.4	<u>Schedule Change</u>	Input: Standard Change, Approved Change, Minor Change with known risk	Schedules & notify anyone affected by the changes that will be implemented	Build & Test changes	In-Process
5.5	<u>Implement Change</u>	Input: Scheduled changes	Plan, build, test changes. Document test results	Change Implementation	In-Process
5.6	<u>Backout Change</u>	Input: Unsuccessfully implemented changes	Execute Back-out plan to remove the change from the production environment	Correct the problems due to implementation of change	In-Process
5.7	<u>Urgent Change</u>	Input: Log & Classify Change	Convene emergency CAB to discuss the urgency of the change, approve, test, build and implement change	Review change Verify change is complete & signoff	Review/ Close
5.8	<u>Post Change Review</u>	Input: Scheduled standard changes	Implement standard changes, conduct formal turnover and close RFC	Close RFC	Closed

Log & Classify Change

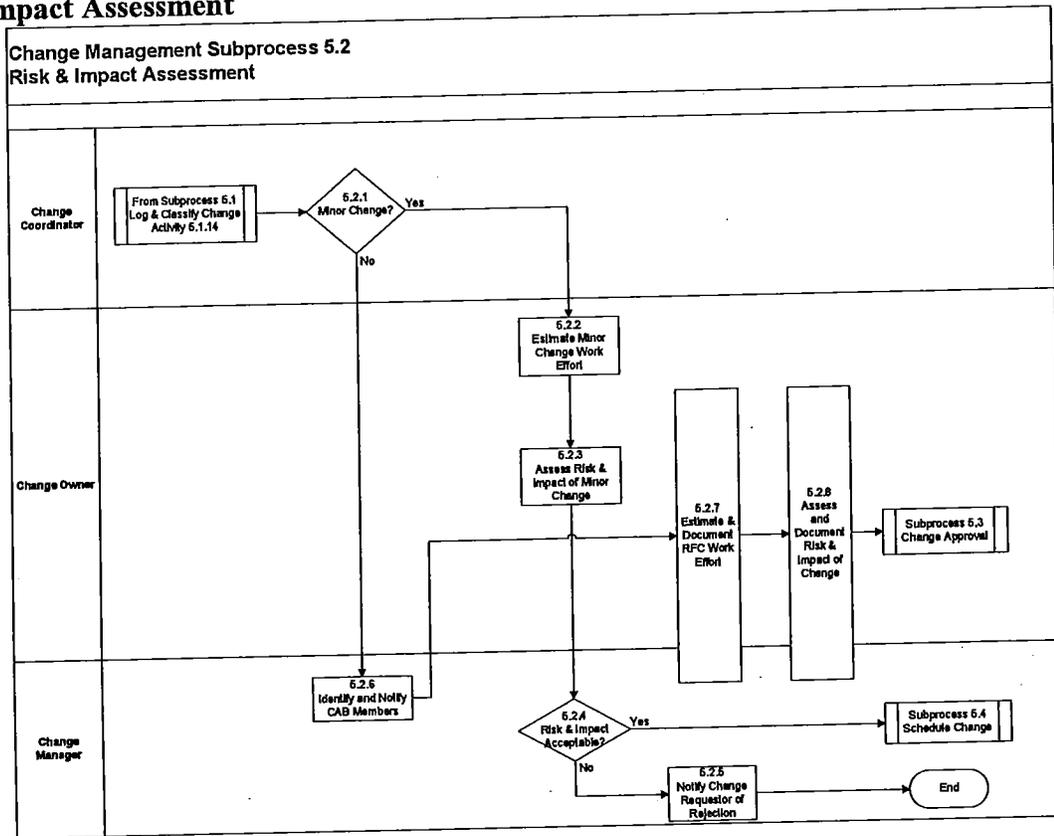


No	Work instruction	Input/Trigger	Description	Output/Completion criteria	Process role
5.1.1	Access RFC Form	Input: Need for production change	The Change Requestor wanting to propose a change to the infrastructure and/or services accesses the RFC form in Service Desk electronically. Note that the Change Requestor may be submitting an RFC on behalf of another party.	Initial access to Service Desk request for change form	Change Requestor
5.1.2	Complete and Submit RFC	Input: Need for production change	The form is filled out by the Change Requestor and submitted, following normal RFC submission procedures.	Completed and submitted RFC	Change Requestor
5.1.3	Initial Review of RFC	Input: RFC from change Requestor	The RFC is received by the Change Coordinator and reviewed to determine whether the RFC is a valid RFC.	Reject/Approve RFC	Change Coordinator
5.1.4	Reject RFC?	Input: Initial review of RFC	Based on experience and a growing set of valid RFC criteria, a decision is made by the Change Coordinator whether or not to reject the	Rejected RFC is returned to Requestor with explanation	Change Coordinator

No	Work instruction	Input/Trigger	Description	Output/Completion criteria	Process role
			<p>RFC.</p> <p>If the RFC is rejected, Activity 5.1.5 is performed.</p> <p>If the RFC is valid and therefore NOT rejected Activity 5.1.6 is performed.</p>		
5.1.5	Return RFC to Requestor with Explanation	Input: Rejected RFC	The Change Coordinator updates the RFC with an explanation as to why it is being rejected and notifies the Requestor that the RFC has been rejected and explains why this is the case.	End process	Change Coordinator
5.1.6	Review RFC for Completeness and Accuracy	Input: Submitted RFC	The Change Coordinator reviews the RFC to ensure that all of the information necessary for further processing has been captured and entered into the form appropriately.	Completed and accurate RFC	Change Coordinator
5.1.7	RFC Accepted?	Submitted and complete RFC	<p>If the RFC is NOT accepted, perform Activity 5.1.8.</p> <p>If the RFC is accepted, perform Activity 5.1.9.</p>	Accepted or not accepted RFC	Change Coordinator
5.1.8	Work with Requestor to Complete RFC	Input: Accepted but incomplete RFC	<p>The Change Coordinator works with the Change Requestor to gather and input all the information required to process the RFC.</p> <p>Upon completion of this task, Activity 5.1.6 is performed again.</p>	Check for type of Change	Change Coordinator
5.1.9	Standard Change?	Input: Accepted and priority assigned changes	Referring to a documented set of criteria for identifying different "change categories," the Change Manager decides what type of change is being requested.	<p>If the RFC is a Standard Change, Activity 5.1.12 is performed.</p> <p>If the RFC is NOT a Standard Change, Activity 5.1.14 is performed.</p>	Change Coordinator
5.1.10	Identify Standard Change Model	Input: Standard Changes	The Change Manager refers to documentation describing the different Standard Change models available and identifies the type of Standard Change that is being requested.	Identification of type of standard change	Change Coordinator
5.1.11	Identify Change Owner	Input: Standard changes with type defined	The Change Manager refers to documentation identifying the Change Owners	Sub process 5.4 Schedule Change is then performed to schedule the Standard Change.	Change Coordinator

No	Work instruction	Input/Trigger	Description	Output/Completion criteria	Process role
			responsible for carrying out Standard changes and selects one to assign the Standard Change RFC to for further processing.		
5.1.12	Urgent Change?	Input: Accepted RFC	<p>If this is a request for an Urgent Change, the Change Manager performs Sub process 5.7 Urgent Change.</p> <p>If this is NOT a request for an Urgent Change, perform Activity 5.1.10.</p>	Change Manager Processes Urgent RFC	Change Coordinator
5.1.13	Assign Initial Priority	Input: Changes which are not Urgent	The Change Manager assigns a priority to the RFC based on his/her experience and documented RFC priority criteria. For example: Immediate, High, Medium, And Low.	Categories change	Change Coordinator
5.1.14	Identify Change Owner	Input: Non-standard changes	The Change Manager refers to documentation identifying the Change Owners responsible for carrying out non-standard changes and selects one to assign the non-standard Change RFC to for further processing.	All requests for non-standard Changes are routed to higher-level management for risk and impact assessment.	Change Manager

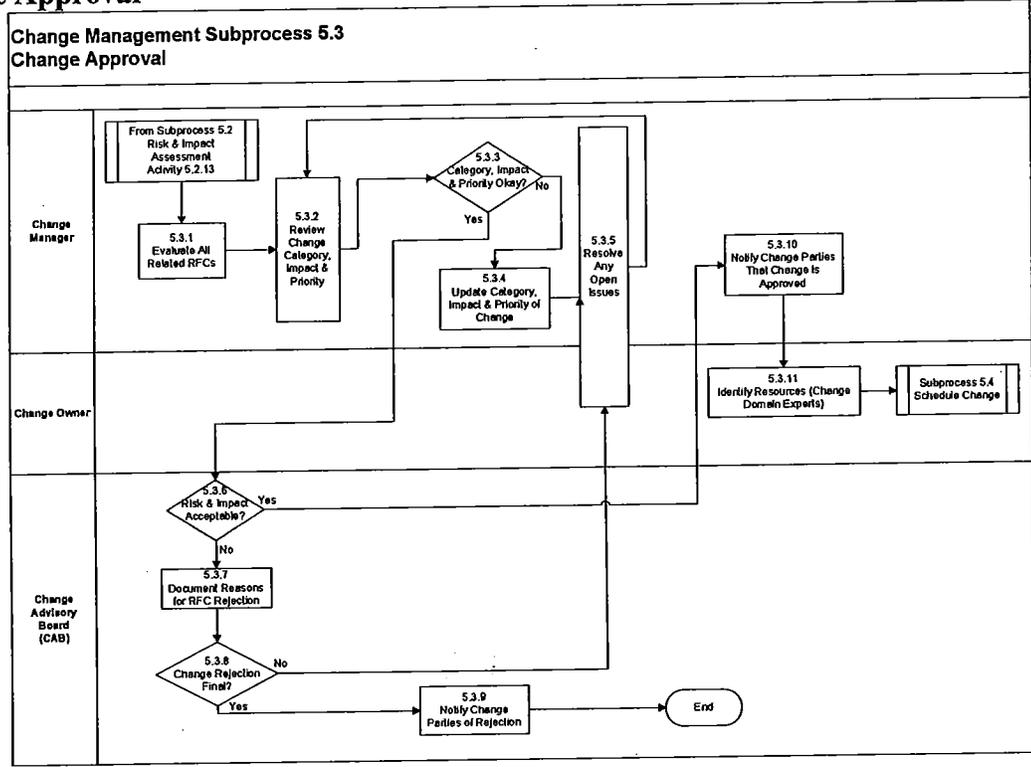
Risk & Impact Assessment



No	Work instruction	Input/ Trigger	Description	Output/ Completion criteria	Process role
5.2.1	Minor Change?	Input: Accepted Changes	If the requested Change is Minor, perform Activity 5.2.2 If the requested Change is Significant, perform Activity 5.2.6	Minor Change is assigned to Change owner Or Inform CAB of Significant Change	Change Coordinator
5.2.2	Estimate Minor Change Work Effort	Input: Assigned Minor change	The Change Owner reviews the Minor Change to determine how much work will be required to implement it.	Minor Change documented with work effort	Change Owner
5.2.3	Assess Risk & Impact of Minor Change	Input: Assigned Minor Change with work effort	The Change Owner determines how much risk is involved in implementing the Minor Change and how much of an impact it will have on the environment, resources, etc	Minor Change documented with risk and impact	Change Owner
5.2.4	Risk & Impact Acceptable?	Input: Estimate of change and impact	Determine if the risk and impact of the minor change are within acceptable limits. If so, perform sub process 5.4. Schedule Change otherwise perform process 5.2.5 to Notify Change Requestor of Rejection	Approve or reject minor Change	Change Manager
5.2.5	Notify Change Requestor of Rejection	Input: Rejected minor change	The Change Owner notifies the Change Requestor that the RFC is being rejected and tells them why this is the situation. At this point the process is ended.	Rejection notification	Change Manager
5.2.6	Identify & Notify CAB Members about Significant Change	Input: Accepted change	Based on the type of Change being proposed and the needs of the Change Requestor, the Change Manager in coordination with Change Owner identifies people to participate in the CAB, and notifies them about the proposed Change.	Notification to required CAB members	Change Manager
5.2.7	Estimate & Document RFC Work Effort	Input: Significant Changes	The Change Owner determines how much effort and risk is involved in implementing the change and how much of an impact it will have on the environment, resources, etc	Document RFC work effort	Change Owner and Change Manager
5.2.8	Assess and Document Risk & Impact of Change	Input: Significant Changes with work effort	The Change Manager and the Change Owner assess and evaluate the risk that the proposed Significant Change presents to the production IT environment and estimate and	Estimate, Risk, impact on production environment and	Change Owner and Change Manager

		document the amount of work effort will require.		
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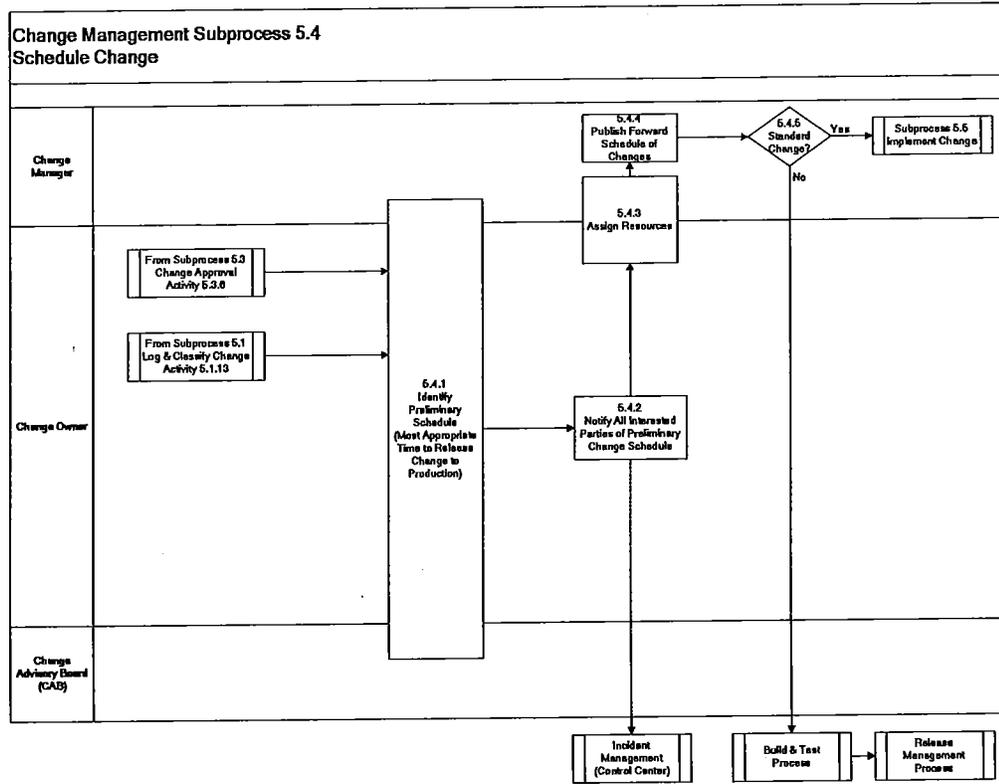
Change Approval



No	Work instruction	Input/ Trigger	Description	Output/ Completion criteria	Process role
5.3.1	Evaluate all related RFCs	Input: Change impact assessment	Some proposed changes might involve multiple RFCs. The Change Manager evaluates all RFCs related to the Change being proposed to gain a better understanding of the task at hand	Review and approve change	Change Manager
5.3.2	Review Change Category Impact & Priority	Changes with acceptable risk, impact, and work effort	The Change Manager reevaluates the initial Change category, impact and priority settings.	Reviewed changes	Change Manager
5.3.3	Category, Impact & Priority Okay?	Reviewed changes	The Change Manager determines that the RFC are still valid	Changes with acceptable risk, impact, effort, priority, and category	Change Manager
5.3.4	Update Category, Impact & Priority of	Changes with non-acceptable category, impact, and/or	The Change Manager documents whatever changes are necessary to the Change category,	Adjusted changes with acceptable category,	Change Manager

	Change	priority	impact and priority.	impact, and/or priority	
5.3.5	Resolve and Open Issues	Input: Changes with remaining issues	The Change Manager and Change Owner identify any open issues and jointly resolve the issues	Resolved changes	Change Manager and Change Owner
5.3.6	Risk & Impact Acceptable?	Input: Risk and Impact Assessment	Determine if the risk and impact of the change are within acceptable limits. If so, perform process 5.2.12. Otherwise perform process 5.2.10 to Document Change Requestor of Rejection	Approved or Rejected risk, impact, and work effort	Change Advisory Board
5.3.7	Document Reasons for RFC Rejection	Rejection based on risk, impact, and effort.	The Change Advisory Board provides the reasons that the RFC has been rejected to the Change owner.	Notification of rejected change request	Change Advisory Board
5.3.8	Change Rejection Final	Input: Change that has been initially rejected by the CAB	If Change rejection is final work instruction 5.3.X is performed, if not 5.3.5 is performed	Rejection notification or requirement to provide additional information	Change Advisory Board
5.3.9	Notify Change Parties of rejection	Input: Rejected changes by CAB	The Change Manager notifies all Change Parties that Change has been rejected with the reason	Change is rejected	Change Manager
5.3.10	Notify Change Parties that Change is Approved	Input: Approved changes by CAB	The Change Manager notifies the Change Requester and the Change Owner that Change has been approved	Identify change resources	Change Manager
5.3.11	Identify resources	Input: Approved Changes	With the change approved, the Change Owner coordinates with Change Domain Experts to identify required resources. The change is then submitted to sub process 5.4 Schedule Change	Identified Resources	Change owner

Schedule Change

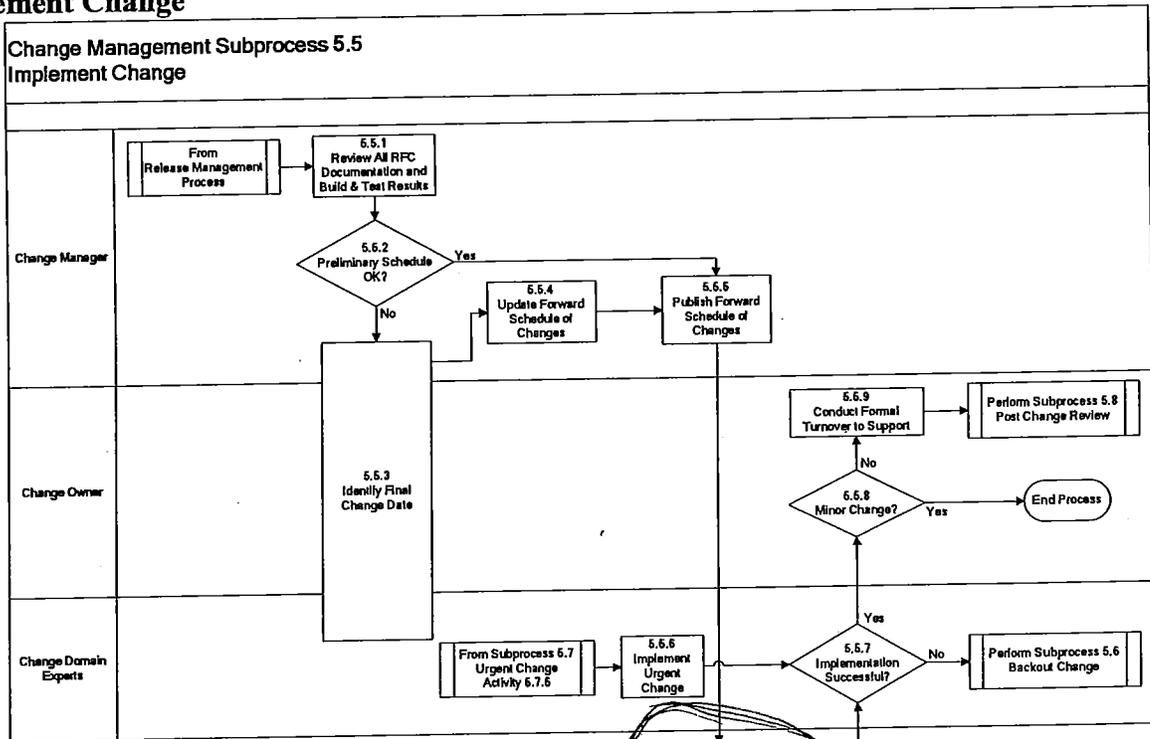


No	Work instruction	Input/ Trigger	Description	Output/ Completion criteria	Process role
5.4.1	Identify Preliminary Schedule	Input: Change Request	The Change Manager, with input from the Change Owner and CAB, defines a preliminary schedule of activities for the proposed Change. This preliminary schedule is subject to change based on the results of the build and test activities.	Preliminary forward schedule of changes	Change Advisor Board, Change Owner, and Change Manager
5.4.2	Notify All Interested Parties of Preliminary Schedule Change	Input: Change Request	The Change Owner notifies anyone affected by the Change that such a Change is forthcoming, what it is about, etc	Schedules and Notifications	Change Owner
5.4.3	Assign Resources	Schedule of changes	The Change Manager, with help from the Change Owner, assigns resources (previously identified by the Change Owner) to build, test and implement the proposed	Identified resources	Change Owner and Change Manager

5.4.4	Publish Forward Schedule of Changes	Documented forward schedule of changes	The Change Manager, with input from the Change Owner and CAB, defines a preliminary schedule of activities for the proposed Change. This preliminary schedule is subject to change based on the results of the build and test activities.	Notification or posting of forward schedule of changes	Change Manager
5.4.5	Standard Change?	Input: Proposed Change Request	If this is a standard change, sub process 5.5 Implement Change is performed, otherwise it is sent to the Build and Test Process	Implementation or build and test of change	Change Manager

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Implement Change

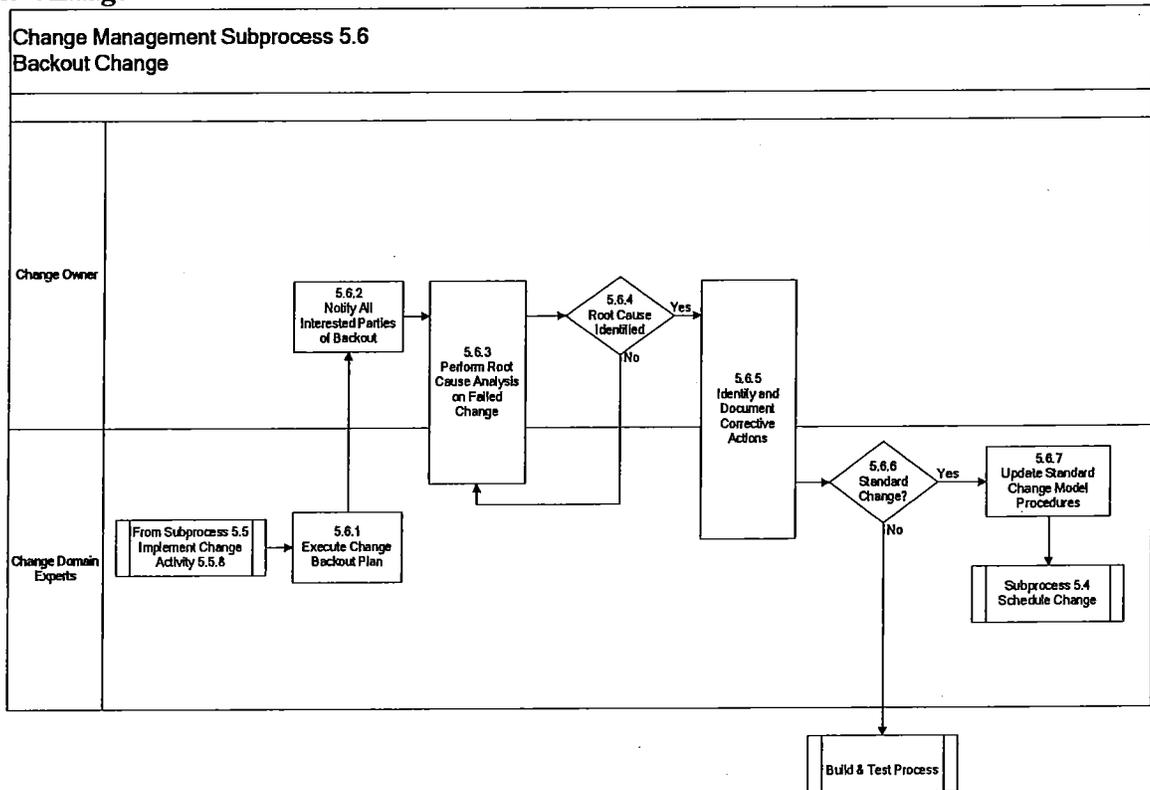


No	Work instruction	Input/ Trigger	Description	Output/ Completion criteria	Process role
5.5.1	Review and RFC Documentation and Build and Test Results	Build and Test process completed	Change manager reviews the results of development efforts and validates updated	Validated changes with build and test complete	Change Manager

No	Work instruction	Input/ Trigger	Description	Output/ Completion criteria	Process role
			RFC documentation		
5.5.2	Preliminary Schedule OK?	Reviews completed	The Change Manager reviews the preliminary schedule and determined if original schedule was correct. If not, performs process 5.5.3 otherwise performs process 5.5.5	Approved schedule or request to change schedule	Change Manager
5.5.3	Set "Final" Change Date	Invalid preliminary schedule	The CAB, Change Manger, Change Owner and CDEs review preliminary schedules and implementation estimates for this change to generate a new schedule.	New schedule	Change Owner, Change Manager and Change Domain Experts
5.5.4	Update Forward Schedule of Changes	New schedule for change set	Change Manager makes required modifications to Forward Schedule of Changes	New Forward Schedule of Changes Created and Approved	Change Manager
5.5.5	Publish Forward Schedule of Changes		Change Manager makes new schedule available to all interested parties.	New Forward Schedule of Changes Published and Distributed, Release Management initiated to implement change	Change Manager
5.5.6	Implement Urgent Change Into Production Environment	Change implementation plan	The Change Domain Expert release changes into production	Implemented changes	Change Domain Experts
5.5.7	Implementation Successful?	Implemented changes	Determine if the implementation was successful. If so perform process 5.5.8 otherwise if not successful, perform sub process 5.6 Backup Change.	Implementation results	Change Domain Experts
5.5.8	Minor Change?	Results from implementation	If this is a minor change end process otherwise, perform process 5.5.10 Conduct Formal Turnover to Support	End process or formal turnover to support	Change Owner
5.5.9	Conduct Formal Turnover to Support	Major Change	Change Owner is responsible for providing support with necessary code and procedures to implement change and perform sub process	Results from format turnover to support	Change Owner

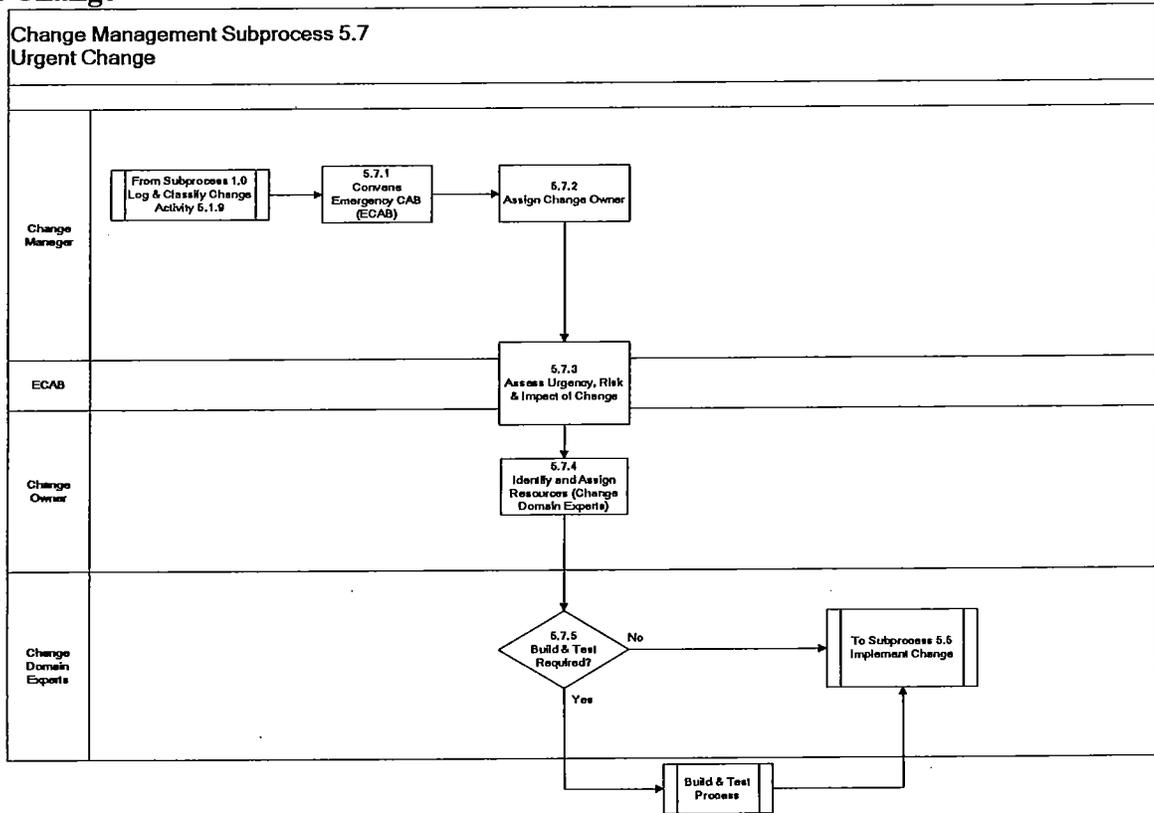
No	Work instruction	Input/ Trigger	Description	Output/ Completion criteria	Process role
			5.8 Post Change Review.		

Backout Change



No	Work instruction	Input/ Trigger	Description	Output/ Completion criteria	Process role
5.6.1	Execute Change Backout Plan	Backout required from sub process 5.5 Implement Change Activity 5.5.8	Change Domain Expert determines that a change backout is required and executes the documented backout procedures.	Backout procedure successfully implemented	Change Domain Experts
5.6.2	Notify All Interest Parties of Backout	Backout Procedure 5.6.1 executed	Change owner notifies all interested parties of backout.	Notification of backout	Change Owner
5.6.3	Perform Root Cause Analysis On Failed Change	Backout notification	The Change Owner and Change Domain Experts apply their expertise to determine why the Change failed	Identification of root cause of change failure	
5.6.4	Root Cause Identified	Results from change failure analysis	If the root cause of the Change failure is determined, work instruction 5.6.5 is performed	Root Cause Documented	Change Owner and Change Domain Experts.
5.6.5	Identify and Document Corrective Actions	Documented root cause	The Change Owner and Change Domain Experts generate a list of corrective actions.	List of corrective actions	Change Owner and Change Domain Experts
5.6.6	Standard Change?	Corrective actions to failed change	Determine if this change was a standard change, if so, perform process 5.6.7 Update Standard Change Model Procedures, otherwise refer change and its backout back to the Build and Test Process.	Update standard change model or perform build and test process	Change Domain Experts.
5.6.7	Update Standard Change Model Procedures	Backout of Standard Change Required.	Determine what if any standard processes may have contributed this change being backed out and determine what changes can be implemented to the standard change process.	Updated Standard Change Procedures	Change Domain Experts

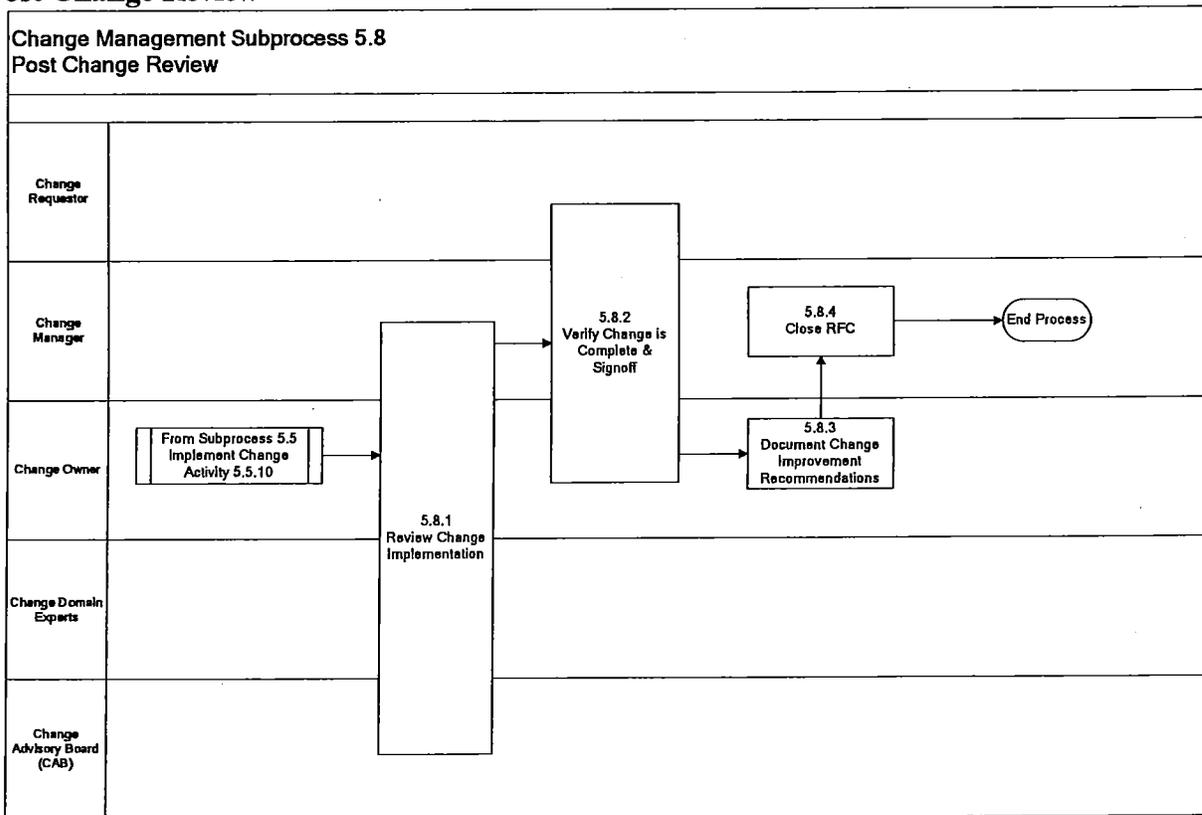
Urgent Change



No	Work instruction	Input/ Trigger	Description	Output/ Completion criteria	Process role
5.7.1	Convene Emergency CAB	Input: Change is an Urgent Change from sub process 1.0 Log & Classify Change Activity 5.1.9	The Change Manager convenes a meeting of the individuals who have been designated as members of the Emergency CAB (ECAB). Note that this meeting may very well not be face-to-face, given the urgency of the situation	Review Urgency, Risk, impact and assign the change to a owner	Change Manager
5.7.2	Assign Change Owner	Identification of urgent change	The Change Manager immediately assigns a Change Owner based on knowledge of the proposed change, the urgency of the Change, the customer and/or environment affected, etc.	Identified change owner	Change Manager
5.7.3	Assess Urgency, Risk and Impact of Change	Urgent change with ownership	The Emergency Change Board with the Change Manager and Change Owner review all available information regarding the scope, risk, impact and urgency of the proposed Urgent Change.	Urgent change with risk, impact, and urgency	Change Manager, Emergency CAB and Change Owner
5.7.4	Identify and	Approved urgent	The Change Owner	Implementa	Change

	Assign Resources (Change Domain Experts)	changes	immediately assigns Change Domain Experts to this change based on knowledge of the proposed change, the urgency of the Change, the customer and/or environment affected, etc	tion identified and assigned to change	Owner
5.7.5	Build and Test Required?	Approved urgent changes with resources assigned	The Change Domain Experts determine if Build and Test Process should be implemented. If Yes, submit Urgent Change to Build and Test Process, if not, perform sub process 5.5 Implement Change	Either implantation of urgent change or perform build and test process	Change Domain Experts

Post Change Review



No	Work instruction	Input/ Trigger	Description	Output/Completion criteria	Process role
5.8.1	Review Change Implementation	Completion of Sub process 5.5 Implement Change Activity 5.5.10	The Change Manger, Chang Owner, CDE and CAB review and verify the change as implemented.	Ensure change occurred according to plan	Change Manager, Change Owner, Change Domain

No	Work instruction	Input/ Trigger	Description	Output/Completion criteria	Process role
					Experts and CAB
5.8.2	Verify Change is Complete & Signoff	Implemented change	The Change Manger and Change owner validate that the RFC as implemented has meet the requirements as specified by the Change Requestor.	Change verified and signoff complete	Change Requestor, Change Manger and Change Owner
5.8.3	Document Change Improvement Recommendations	Complete and verified change	The Change Owner provides input to the Change Management Process Owner to determine if any changes are required in the Change Management Process.	List of change process improvements	Change Owner
5.8.4	Close RFC	Complete Change Implementation and Review	The Change manager verifies that all required steps have been completed and closes the RFC.		Change Manager

Example

Standard Change Descriptions

Modifications to access lists for VPN tunnel
Add/Change DNS entries for entries
Patch and re-boot Priority 1, 2, 3 servers
Firewall Holes required by accepted project documentation between single machines on well known ports
Standard server installs
Simple Route Changes non public safety related
Non NCP Mainframe changes
Hardcoded IP address requests
Local Network Equipment M/A/C
Vendor scheduled minor service outage
Top level Root/Admin password changes for enterprise resources.
Minor changes to intruder detection systems
Network Address Translation (NAT) M/A/C for existing services
Desktop Image Updates
State Police specific route changes
Minor changes to internal firewalls
M/A/C for Routers and Switches
New / change IP subnet or private network

Requires CAB approval

VPN Tunnels
MX record adds/changes
Configuration changes to e-mail virus,spam scanners
New SMTP service
Complex Route Changes
Priority 3 Server Upgrades
Vendor scheduled major service outage
Major changes to intruder detection systems
Active Directory domain M/A/C
Upgrades on security service devices
Changes in "standards" for desktop, laptop and server OS software
Services M/A/C that rely on non-executive infrastructure (Courts, Legislative)
Minor and Major changes to Enterprise firewall
New application systems released for production
Changes to technology Disaster Response plans
Changes to infrastructure covered by technology Disaster Response plans
Major changes on core switches
Directory services forests and NDS trees
Net infrastructure hardware such as network communications analyzers, packet sniffers, intrusion detection hardware firewall hardware, except routers and switches
Virtual Server Control

Example

Change Management Assessment of Criteria

Ticket #: _____ Description: _____

- | | | |
|---|-----|----|
| 1. Has the Impact on Not Implementing been addressed? | Yes | No |
| 2. Have the Drivers for Change been addressed? | Yes | No |
| 3. Have the Benefits/Requirements been addressed? | Yes | No |
| 4. Has the Risk/Plan been addressed? | Yes | No |
| 5. Has the Customer Notification been addressed? | Yes | No |
| 6. Has the Cost been addressed? | Yes | No |
| 7. Have the Service Outages been addressed? | Yes | No |
| 8. Has the Policy been addressed? | Yes | No |
| 9. Has the Impact on DR Plan been addressed? | Yes | No |
| 10. Have the Dependencies been addressed? | Yes | No |

Approval: _____

Registered	Description	Status
15293	Create the domain dcyf.ri.gov as a child domain to ri.gov	Dispatched to Joe Hartley
15543	Create a separate network segment to allow video relay devices to receive incoming calls	Dispatched to Entpr Svcs
15588	Create external IP addresses in DOH PIX Firewall	Dispatched to Entpr Svcs
15596	Care New England is changing IP addresses, he would like to propose an IP scheme	Dispatched to Entpr Svcs

Requested Date	Requestor	Ticket #	Description
2/17/2006	Dave Ahijianian	15293	Create the domain dcyf.ri.gov as a child domain to ri.gov
2/22/2006	Steve Florio	15543	Create a separate network segment to allow video relay devices to receive incoming calls
2/23/2006	Ted Cooper	15588	Create external IP addresses in DOH PIX Firewall
2/24/2006	Ted Cooper	15596	Care New England is changing IP addresses, he would like to propose an IP scheme

Requested Date	Requestor	Ticket #	Description	Status
1/30/2006	Darryl Superzynski	14990	Needs help converting the internal linux DNS servers to the dcyf.ri.gov domain	Dispatched
2/17/2006	Al Lanni	15238	Need new IP addresses assigned to new DHS Tamino XML server	Dispatched to Joe Hartley
2/21/2006	Dmitry Kuchynski	15493	Add Patches to web server 204.139.0.222	Dispatched to Entpr Svcs
2/23/2006	Tony Lupinacci	15573	Upgrade IOS to the latest version to enable the new ethernet blade in the CORE 6509	Dispatched to Entpr Svcs

Requested Date	Requestor	Ticket #	Description
1/30/2006	Darryl Superzynski	14990	Needs help converting the internal linux DNS servers to the dcyf.ri.gov domain
2/17/2006	Al Lanni	15238	Need new IP addresses assigned to new DHS Tamino XML server
2/21/2006	Dmitry Kuchynski	15493	Add Patches to web server 204.139.0.222
2/23/2006	Tony Lupinacci	15573	Upgrade IOS to the latest version to enable the new ethernet blade in the CORE 6509

Proposed Date	Requestor	Ticket #	Description	Status
2/24/2006	Suzanne Reilly	15454	Move DHS printer PBPC from frame relay connection	Dispatched to Tech 11
2/15/2006	Jose Gervasio	15342	Creation of a separate network for an EMA/US Coast Guard exercise	Implemented
2/15/2006	Dave Ahijianian	15431	Install 2 switches in Simpson Hall to connect Mathias via Regan	Implemented
2/15/2006	Suzanne Reilly	15314	Add bridge group to the switch in Johnston then plug an ethernet connection for sna	Implemented
2/19/2006	Suzanne Reilly	15079	Add Micro Code maintenance to 2066 mainframe	Implemented
2/17/2006	Jose Gervasio	15461	Add permit IP host 158.123.13.31 host 198.7.225.222	Implemented
2/21/2006	Ernie Smith	15409	Remove MX Records- The domains do not exist	Implemented
2/13/2006	Al Smith	15312	Health Insurance Commissioner requesting email domain ohic.ri.gov	Implemented
2/21/2006	Bruce Vanasse	15510	User unable to send to domain warwickri.com-Add route on Johnston router	Implemented
2/22/2006	Warren Angell	15536	DEM users unable to connect to domain www.who.edu-add IP route	Implemented
2/23/2006	Tom Dickie	15574	Enable port 443 in the DMZ for DLT Filenet	Implemented
2/23/2006	Joe Hartley	15595	Reboot of Sorweb server	Implemented

Proposed Date	Requestor	Ticket #	Description
2/24/2006	Suzanne Reilly	15454	Move DHS printer PBPC from frame relay connection
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2/13/2006	Al Smith	15312	Health Insurance Commissioner requesting email domain ohic.ri.gov
2/21/2006	Bruce Vanasse	15510	User unable to send to domain warwickri.com-Add route on Johnston router
2/22/2006	Warren Angell	15536	DEM users unable to connect to domain www.who.edu-add IP route
2/23/2006	Tom Dickie	15574	Enable port 443 in the DMZ for DLT Filenet
2/23/2006	Joe Hartley	15595	Reboot of Sorweb server

Unscheduled Service Outages

The majority of the Sorweb servers have been scheduled for maintenance on 2/24/06.

Rejected



State of Rhode Island
Rhode Island Division of Information Technology
Operations Group

Enterprise Change Management

Procedures

Requestor Submits Request For Change

- User submits request by email
- Standard information on form needs to be filled out
 - RFC Initiator-
 - Priority- this relates to lead time
 - Proposed Change- provide enough detail for an overall understanding of items being introduced or changed and the relationship to other items or services
- Potential Impact on Services
 - List known or potential disruptions in service
- Submission of Request For Change will be acknowledged by the Change Manager through email

Log & Classify

- Review for completeness
 - Change Manager will reject or follow up
- Change is classified as major, minor, or standard
- A ticket is generated and the requestor is emailed the ticket number
- The RFC is added to the Change Management Dashboard as Registered

Approval

- Different Change classifications follow different approval paths
- Requestor will be emailed with an approval or rejection or notification that this will be sent to the Change Advisory Board

Implementation

- Notify Service Desk and users of Scheduled Service Outages
 - Scheduled within maintenance windows
- Implement Change
- If change is successful notify Change Manager and close ticket
 - this will be reflected on the Change Management Dashboard as Implemented

- If Change is NOT Successful
 - Backout Change
 - Open an Incident if service works in a degraded fashion
 - Urgent Change if solution is known

Post Change Review

- Change Owner or Implementer must Report unscheduled service disruptions
- Service Desk follows up and closes change
- Incidents caused by change needs to be reported to the Service Desk



Request For Change

Requestor: _____

Date Submitted: _____

Contact #: _____

Date Requested: _____

Department: _____

Service Desk Ticket #: _____

RFC Initiator:	_____ Service Request	_____ Project
	_____ Application/Development	_____ Incident/Problem

Priority:	_____ Low	_____ High
	_____ Medium	_____ Immediate

Proposed Change:

Explanation of Impact:

Approval:

Change Manager: _____

Network Services: _____

Security Services: _____

Operations Manager: _____

Internal Use Only:

Category:	_____ Minor	_____ Major	_____ Standard
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Attachment G



State of Rhode Island

Division of Information Technology
Operations Group

Enterprise Change Management

Process Charter

Purpose

The modern functioning of State Government relies on the collection, analysis, production, communication, and distribution of information within various state departments, other governmental organizations, business partners, and citizens. The information systems enabling these activities, their users, and supporting infrastructure are crucial, strategic, organizational assets that require efficient quality service to provide maximum value to the organization. Achieving a consistent and coherent set of best practices promoting a quality approach to the service and support of the information infrastructure is the goal of the Division's service management activities. One foundation of these service management activities is Change Management.

The Enterprise Change Management process ensures standard methods and procedures minimize the impact of change related incidents on the quality of services provided to the enterprise, and efficiently and securely improve daily operations. The Enterprise Change Management process also ensures that all changes to the information infrastructure are properly planned, managed, and reviewed prior to their implementation, and measures and reports the impact of change.

The goals of change management include

- Minimize service disruption and impact
- Minimize security threat exposure
- Improve first attempt success rate
- Operating cost reduction

This document outlines the detailed operation of the Enterprise Change Management Process.

Organizational Structure

The Enterprise Change Management authority originates from the CIO. The Operations Group's Change Management function operates as an organizational unit within the

Enterprise Service Desk at the direction of the Director of IT Operations. Change Management process within the Enterprise Service Desk performs following the following change management functions

- Receiving and recording
- Analysis and classification
- Approval
- Implementation
- Verification
- Documentation

Roles and Responsibilities

Enterprise Change Management functions are performed by the following roles.

- Change Management Process Owner will be the Operations Chief
 - The process owner is responsible for the documentation of change control policies, compliance, measuring, reporting, and improving the change management process.
 - The process owner is responsible for the compliance of other service support processes with enterprise change management.
 - Ensures Change Advisory Board is authoritative and effective
 - Ensures change confirms to standards and policies.
 - Ensures cooperation with other service support and service delivery processes.
 - Decides on composition and authority of CAB.
- Change Manager is responsible for process flow
 - Receiving, registering, evaluation approval and implementation of change
 - Ensures management and customers are sufficiently informed as to the schedule and impact of change
 - Chairs Change Advisory Board activities
 - Reports change metrics
 - Recommends process change
 - Approves standard change
 - Change process communications
 - Documentation of change
 - Communicates Forward Schedule of Change to the enterprise.
 - Updates change log of all change activity
 - Closes Request for Change
-
- Service Support Manager will be responsible for process implementation including
 - Coordination of change management activities with the change manager and the service desk support infrastructure.
 - Resource availability to complete change management tasks
 - Prioritizing change implementation items with other support activities
 - Reporting the impact of change
 - Documentation of change implementation
 - Ensures only approved changes are implemented

- Change Requester
 - Provides clear description of business needs, goals, and objectives of the requested change.
 - Follows Change Management processes for RFC submittal.
 - Confirms completed change can be closed.
 - Participates in post change review change activity.
- Change Owner
 - Provides a clear description of the business needs, goals and objectives of the change
 - Follows the Change Management process for building, testing and implementing a change
 - Provides additional information regarding the change when requested by the Change Manager
 - Reviews the initial “priority” based on predefined priority definitions and changes it if warranted due to new information
 - Confirms the completed change can be closed
 - Participates in the Post Change Review process if requested
 - Locates and assigns resources used to build, test and implement changes

Change Advisory Board is responsible for the assessment and approval of major change

- Convenes on a regular basis to consider requests for change raised
- Advocates for business interests in change assessment
- Evaluates business impact of change and recommends process improvement

Emergency Change Advisory Board is responsible for the assessment and approval of urgent change

- Advocates for minimum risk to essential services for urgent change requests

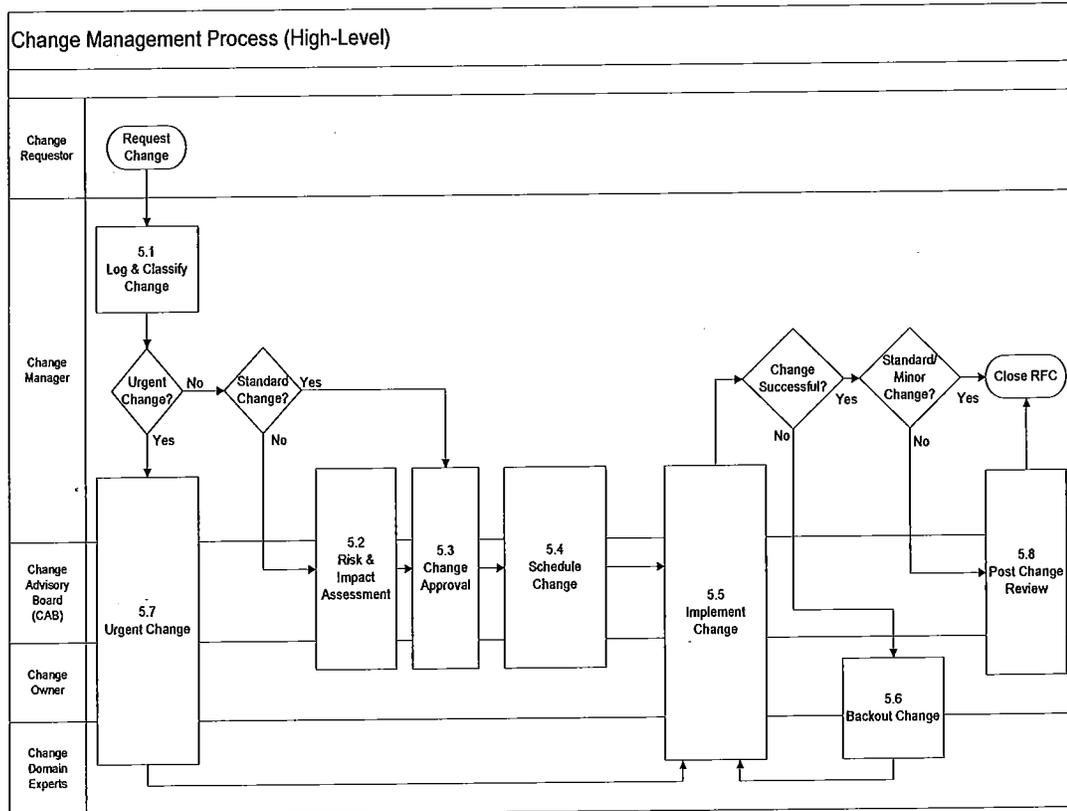
Enterprise Change Management Operating Procedures

Without well defined procedures the change management process will not meet customer requirements nor set standards for service delivery. These operating procedures apply globally to the enterprise information infrastructure.

1. **Every Request for Change (RFC) affecting one or more Configuration Items (CIs) must follow the Enterprise Change Management Process**
 - The change Management process encompasses all proposed changes to the defined information infrastructure.
 - Requests for Change must be logged in a common database, including Urgent change requests.
 - Changes affecting multiple CIs must explicitly define the relationship between the CIs.
 - All new CIs introduced into the information infrastructure must follow the Enterprise Change Management process
2. **All Requests for Change must be logged and tracked**

- The Enterprise Change Management process must track, record, approve or reject, and close RFCs.
- 3. Formal process procedures and guidelines must be documented and consistently followed within Enterprise Change Management.**
 - Process procedures and guidelines must be available to all change management participants.
 - Different change types require different procedures and must be explicitly defined.
 - Enterprise Change Management procedures and process documentation is a CI and are under the control of the Change Management process.
 - 4. The Enterprise Change Management will resolve scheduling conflicts when there are dependencies that require concurrent activities.**
 - When dependencies require, Change Management must negotiate a coordinated implementation of concurrent change activities.
 - Awareness of concurrent projects and deployment schedules must be managed and maintained through the Change Management process
 - Scheduled project implementations may be delayed due to concurrent dependencies identified by Change Management.
 - Lines of communication will be clearly defined and rigorously adhered to.
 - 5. Enterprise Change Management and CI owners (service customers) will have non-ambiguous communications throughout change lifecycle.**
 - Proper interaction is required between CI owners, service providers, and Change Management including information pertaining to testing and results.
 - A standard format for reporting of test results must be maintained.
 - 6. Enterprise Change Management must manage and implement Urgent Change Requests in a timely manner.**
 - A separate change procedure will be followed to test and implement Urgent Change.
 - Following the implementation of urgent change, the normal Change Management process steps will be followed to completion.
 - Change documentation will be completed by the change owner following implementation of Urgent Change.
 - 7. Changes identified as Standard Change will follow the Standard Change process.**
 - Clear criteria defining Standard Change will be documented, and periodically reviewed and updated.
 - The number and types of Change will be reviewed to determine if the list of Standard Change needs to be revised.

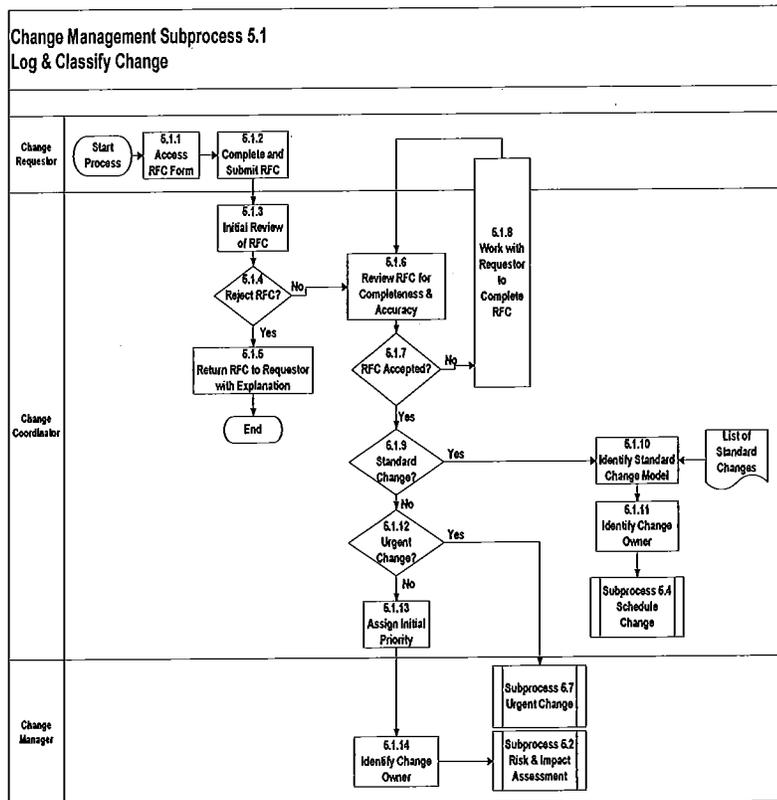
Process Flow and Execution



No	Procedure	Input/ Trigger	Description	Output/ Completion criteria	Change record status
5.1	<u>Log and Classify Change</u>	Trigger: Request for Change	Change requester submits RFC to Change Management process, RFC is reviewed, accepted or rejected, processed, classified, prioritized	Change logging and Classification	Assigned to Change Owner/ Rejected
5.2	<u>Risk & Impact Assessment</u>	Input: Accepted RFC	Identifying and analyzing risk and impact of minor/major change on production environment and business	Change Approval	Accepted In-process Rejected
5.3	<u>Change Approval</u>	Input: Pending change which has been	Review and discuss changes with CAB findings. Allocate the resources to build, test and implement change.	Scheduling change	Accepted, In-Process, Rejected

		assessed and is ready to be approved	Notify about the accepted/rejected change to the requester		
5.4	<u>Schedule Change</u>	Input: Approved Change	Schedules & notify anyone affected by the changes that will be implemented	Build & Test changes	In-Process
5.5	<u>Implement Change</u>	Input: Scheduled changes	Plan, build, test changes, Document test results	Change Implementation	In-Process
5.6	<u>Backout Change</u>	Input: Unsuccessfully implemented changes	Execute Back-out plan to remove the change from the production environment	Correct the problems due to implementation of change	In-Process
5.7	<u>Urgent Change</u>	Input: Log & Classify Change	Convene emergency CAB to discuss the urgency of the change, approve, test, build and implement change	Review change Verify change is complete & signoff	Review/Close
5.8	<u>Post Change Review</u>	Input: Scheduled standard changes	Implement standard changes, conduct formal turnover and close RFC	Close RFC	Closed

Log & Classify Change

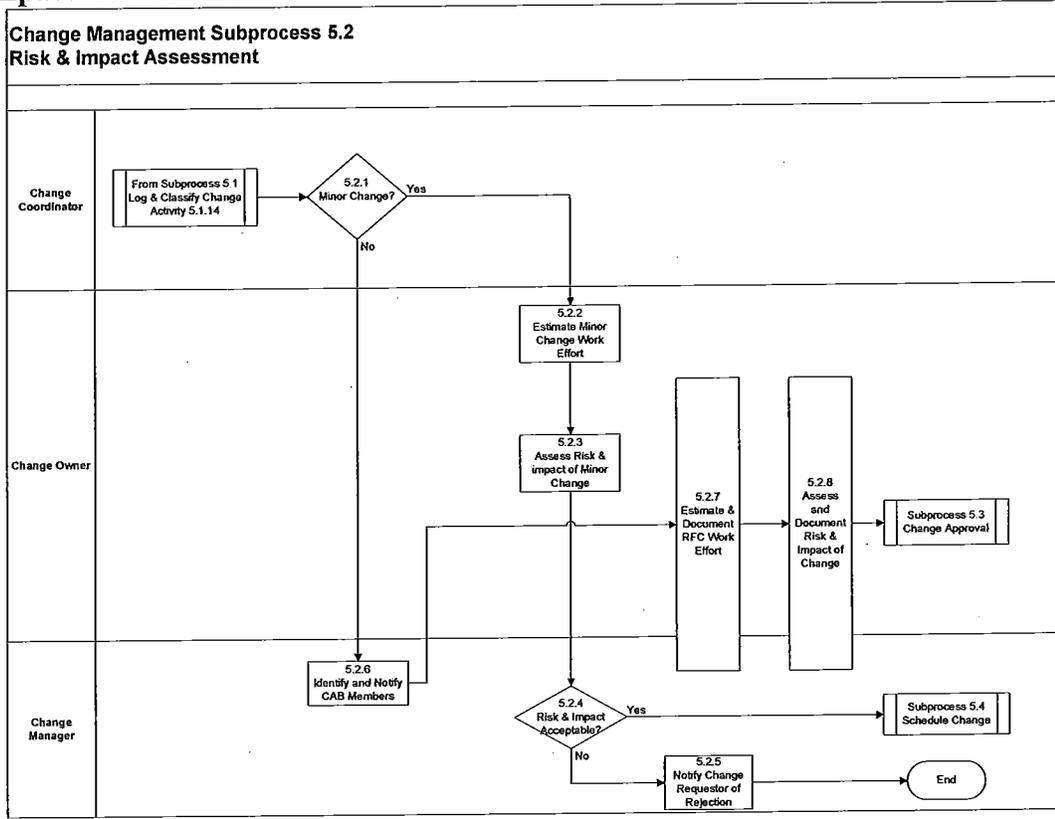


No	Work instruction	Input/Trigger	Description	Output/Completion criteria	Process role
5.1.1	Access RFC Form	Input: Need for production change	The Change Requestor wanting to propose a change to the infrastructure and/or services accesses the RFC form in Service Desk electronically. Note that the Change Requestor may be submitting an RFC on behalf of another party.	Initial access to Service Desk request for change form	Change Requestor
5.1.2	Complete and Submit RFC	Input: Need for production change	The form is filled out by the Change Requestor and submitted, following normal RFC submission procedures.	Completed and submitted RFC	Change Requestor
5.1.3	Initial Review of RFC	Input: RFC from change Requestor	The RFC is received by the Change Coordinator and reviewed to determine whether the RFC is a valid RFC.	Reject/Approve RFC	Change Coordinator
5.1.4	Reject RFC?	Input: Initial review of RFC	Based on experience and a growing set of valid RFC criteria, a decision is made by the Change Coordinator whether or not to reject the	Rejected RFC is returned to Requester with explanation	Change Coordinator

No	Work instruction	Input/ Trigger	Description	Output/Completion criteria	Process role
			<p>RFC.</p> <p>If the RFC is rejected, Activity 5.1.5 is performed.</p> <p>If the RFC is valid and therefore NOT rejected Activity 5.1.6 is performed.</p>		
5.1.5	Return RFC to Requestor with Explanation	Input: Rejected RFC	The Change Coordinator updates the RFC with an explanation as to why it is being rejected and notifies the Requestor that the RFC has been rejected and explains why this is the case.	End process	Change Coordinator
5.1.6	Review RFC for Completeness and Accuracy	Input: Submitted RFC	The Change Coordinator reviews the RFC to ensure that all of the information necessary for further processing has been captured and entered into the form appropriately.	Completed and accurate RFC	Change Coordinator
5.1.7	RFC Accepted?	Submitted and complete RFC	<p>If the RFC is NOT accepted, perform Activity 5.1.8.</p> <p>If the RFC is accepted, perform Activity 5.1.9.</p>	Accepted or not accepted RFC	Change Coordinator
5.1.8	Work with Requestor to Complete RFC	Input: Accepted but incomplete RFC	<p>The Change Coordinator works with the Change Requestor to gather and input all the information required to process the RFC.</p> <p>Upon completion of this task, Activity 5.1.6 is performed again.</p>	Check for type of Change	Change Coordinator
5.1.9	Standard Change?	Input: Accepted and priority assigned changes	Referring to a documented set of criteria for identifying different "change categories," the Change Manager decides what type of change is being requested.	<p>If the RFC is a Standard Change, Activity 5.1.12 is performed.</p> <p>If the RFC is NOT a Standard Change, Activity 5.1.14 is performed.</p>	Change Coordinator
5.1.10	Identify Standard Change Model	Input: Standard Changes	The Change Manager refers to documentation describing the different Standard Change models available and identifies the type of Standard Change that is being requested.	Identification of type of standard change	Change Coordinator
5.1.11	Identify Change Owner	Input: Standard changes with type defined	The Change Manager refers to documentation identifying the Change Owners	Sub process 5.4 Schedule Change is then performed to schedule the Standard Change.	Change Coordinator

No	Work instruction	Input/ Trigger	Description	Output/Completion criteria	Process role
			responsible for carrying out Standard changes and selects one to assign the Standard Change RFC to for further processing.		
5.1.12	Urgent Change?	Input: Accepted RFC	<p>If this is a request for an Urgent Change, the Change Manager performs Sub process 5.7 Urgent Change.</p> <p>If this is NOT a request for an Urgent Change, perform Activity 5.1.10.</p>	Change Manager Processes Urgent RFC	Change Coordinator
5.1.13	Assign Initial Priority	Input: Changes which are not Urgent	The Change Manager assigns a priority to the RFC based on his/her experience and documented RFC priority criteria. For example: Immediate, High, Medium, And Low.	Categories change	Change Coordinator
5.1.14	Identify Change Owner	Input: Non-standard changes	The Change Manager refers to documentation identifying the Change Owners responsible for carrying out non-standard changes and selects one to assign the non-standard Change RFC to for further processing.	All requests for non-standard Changes are routed to higher-level management for risk and impact assessment.	Change Manager

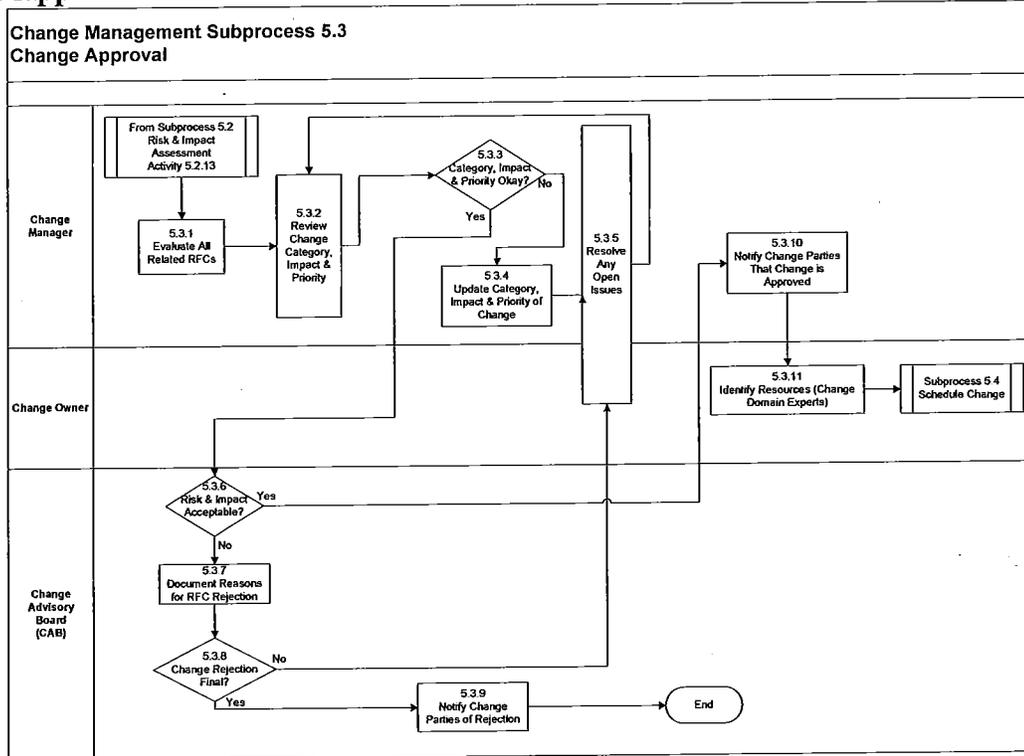
Risk & Impact Assessment



No	Work instruction	Input/ Trigger	Description	Output/ Completion criteria	Process role
5.2.1	Minor Change?	Input: Accepted Changes	If the requested Change is Minor, perform Activity 5.2.2 If the requested Change is Significant, perform Activity 5.2.6	Minor Change is assigned to Change owner Or Inform CAB of Significant Change	Change Coordinator
5.2.2	Estimate Minor Change Work Effort	Input: Assigned Minor change	The Change Owner reviews the Minor Change to determine how much work will be required to implement it.	Minor Change documented with work effort	Change Owner
5.2.3	Assess Risk & Impact of Minor Change	Input: Assigned Minor Change with work effort	The Change Owner determines how much risk is involved in implementing the Minor Change and how much of an impact it will have on the environment, resources, etc	Minor Change documented with risk and impact	Change Owner
5.2.4	Risk & Impact Acceptable?	Input: Estimate of change and impact	Determine if the risk and impact of the minor change are within acceptable limits. If so, perform sub process 5.4. Schedule Change otherwise perform process 5.2.5 to Notify Change Requestor of Rejection	Approve or reject minor Change	Change Manager
5.2.5	Notify Change Requestor of Rejection	Input: Rejected minor change	The Change Owner notifies the Change Requestor that the RFC is being rejected and tells them why this is the situation. At this point the process is ended.	Rejection notification	Change Manager
5.2.6	Identify & Notify CAB Members about Significant Change	Input: Accepted change	Based on the type of Change being proposed and the needs of the Change Requestor, the Change Manager in coordination with Change Owner identifies people to participate in the CAB, and notifies them about the proposed Change.	Notification to required CAB members	Change Manager
5.2.7	Estimate & Document RFC Work Effort	Input: Significant Changes	The Change Owner determines how much effort and risk is involved in implementing the change and how much of an impact it will have on the environment, resources, etc	Document RFC work effort	Change Owner and Change Manager
5.2.8	Assess and Document Risk & Impact of Change	Input: Significant Changes with work effort	The Change Manager and the Change Owner assess and evaluate the risk that the proposed Significant Change presents to the production IT environment and estimate and	Estimate, Risk, impact on production environment and	Change Owner and Change Manager

		document the amount of work effort will require.	
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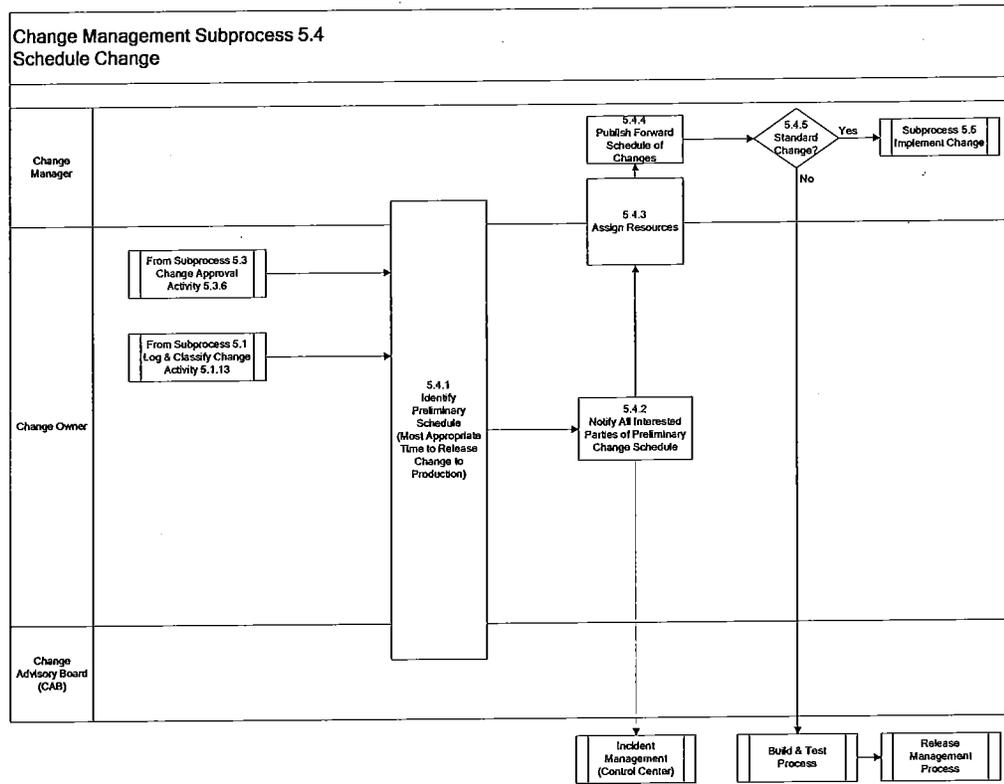
Change Approval



No	Work instruction	Input/ Trigger	Description	Output/ Completion criteria	Process role
5.3.1	Evaluate all related RFCs	Input: Change impact assessment	Some proposed changes might involve multiple RFCs. The Change Manager evaluates all RFCs related to the Change being proposed to gain a better understanding of the task at hand	Review and approve change	Change Manager
5.3.2	Review Change Category Impact & Priority	Changes with acceptable risk, impact, and work effort	The Change Manager reevaluates the initial Change category, impact and priority settings.	Reviewed changes	Change Manager
5.3.3	Category, Impact & Priority Okay?	Reviewed changes	The Change Manager determines that the RFC are still valid	Changes with acceptable risk, impact, effort, priority, and category	Change Manager
5.3.4	Update Category, Impact & Priority of	Changes with non-acceptable category, impact, and/or	The Change Manager documents whatever changes are necessary to the Change category,	Adjusted changes with acceptable category,	Change Manager

	Change	priority	impact and priority.	impact, and/or priority	
5.3.5	Resolve and Open Issues	Input: Changes with remaining issues	The Change Manager and Change Owner identify any open issues and jointly resolve the issues	Resolved changes	Change Manager and Change Owner
5.3.6	Risk & Impact Acceptable?	Input: Risk and Impact Assessment	Determine if the risk and impact of the change are within acceptable limits. If so, perform process 5.2.12. Otherwise perform process 5.2.10 to Document Change Requestor of Rejection	Approved or Rejected risk, impact, and work effort	Change Advisory Board
5.3.7	Document Reasons for RFC Rejection	Rejection based on risk, impact, and effort.	The Change Advisory Board provides the reasons that the RFC has been rejected to the Change owner.	Notification of rejected change request	Change Advisory Board
5.3.8	Change Rejection Final	Input: Change that has been initially rejected by the CAB	If Change rejection is final work instruction 5.3.X is performed, if not 5.3.5 is performed	Rejection notification or requirement to provide additional information	Change Advisory Board
5.3.9	Notify Change Parties of rejection	Input: Rejected changes by CAB	The Change Manager notifies all Change Parties that Change has been rejected with the reason	Change is rejected	Change Manager
5.3.10	Notify Change Parties that Change is Approved	Input: Approved changes by CAB	The Change Manager notifies the Change Requester and the Change Owner that Change has been approved	Identify change resources	Change Manager
5.3.11	Identify resources	Input: Approved Changes	With the change approved, the Change Owner coordinates with Change Domain Experts to identify required resources. The change is then submitted to sub process 5.4 Schedule Change	Identified Resources	Change owner

Schedule Change

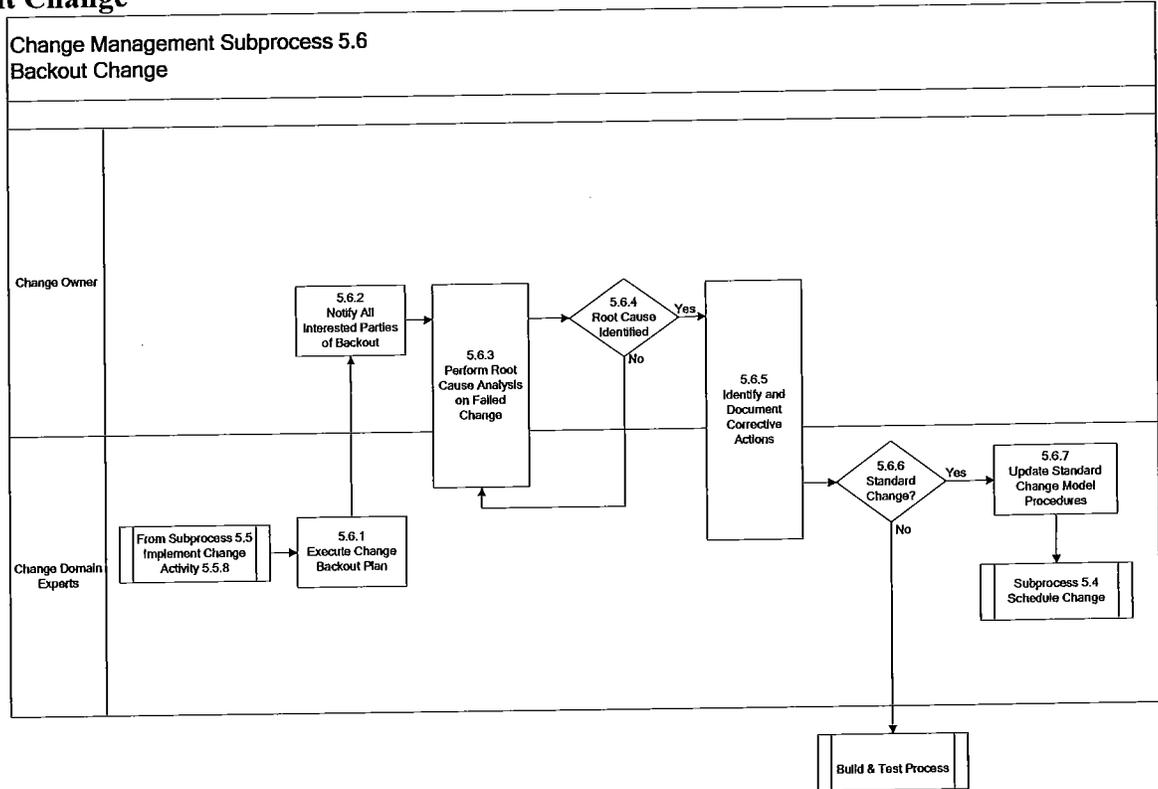


No	Work instruction	Input/ Trigger	Description	Output/ Completion criteria	Process role
5.4.1	Identify Preliminary Schedule	Input: Change Request	The Change Manager, with input from the Change Owner and CAB, defines a preliminary schedule of activities for the proposed Change. This preliminary schedule is subject to change based on the results of the build and test activities.	Preliminary forward schedule of changes	Change Advisor Board, Change Owner, and Change Manager
5.4.2	Notify All Interested Parties of Preliminary Schedule Change	Input: Change Request	The Change Owner notifies anyone affected by the Change that such a Change is forthcoming, what it is about, etc	Schedules and Notifications	Change Owner
5.4.3	Assign Resources	Schedule of changes	The Change Manager, with help from the Change Owner, assigns resources (previously identified by the Change Owner) to build, test and implement the proposed	Identified resources	Change Owner and Change Manager

No	Work instruction	Input/ Trigger	Description	Output/ Completion criteria	Process role
			RFC documentation		
5.5.2	Preliminary Schedule OK?	Reviews completed	The Change Manager reviews the preliminary schedule and determined if original schedule was correct. If not, performs process 5.5.3 otherwise performs process 5.5.5	Approved schedule or request to change schedule	Change Manager
5.5.3	Set "Final" Change Date	Invalid preliminary schedule	The CAB, Change Manger, Change Owner and CDEs review preliminary schedules and implementation estimates for this change to generate a new schedule.	New schedule	Change Owner, Change Manager and Change Domain Experts
5.5.4	Update Forward Schedule of Changes	New schedule for change set	Change Manager makes required modifications to Forward Schedule of Changes	New Forward Schedule of Changes Created and Approved	Change Manager
5.5.5	Publish Forward Schedule of Changes		Change Manager makes new schedule available to all interested parties.	New Forward Schedule of Changes Published and Distributed, Release Management initiated to implement change	Change Manager
5.5.6	Implement Urgent Change Into Production Environment	Change implementation plan	The Change Domain Expert release changes into production	Implemented changes	Change Domain Experts
5.5.7	Implementation Successful?	Implemented changes	Determine if the implementation was successful. If so perform process 5.5.8 otherwise if not successful, perform sub process 5.6 Backup Change.	Implementation results	Change Domain Experts
5.5.8	Minor Change?	Results from implementation	If this is a minor change end process otherwise, perform process 5.5.10 Conduct Formal Turnover to Support	End process or formal turnover to support	Change Owner
5.5.9	Conduct Formal Turnover to Support	Major Change	Change Owner is responsible for providing support with necessary code and procedures to implement change and perform sub process	Results from format turnover to support	Change Owner

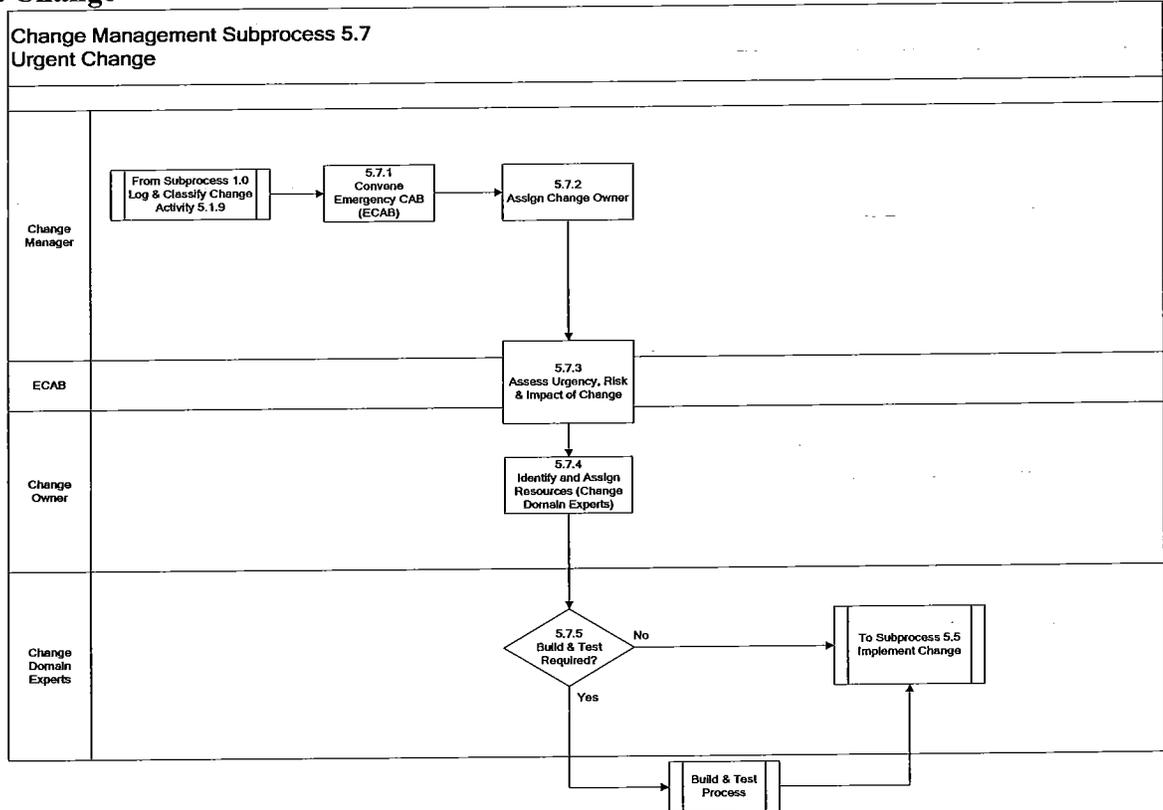
No	Work instruction	Input/ Trigger	Description	Output/ Completion criteria	Process role
			5.8 Post Change Review.		

Backout Change



No	Work instruction	Input/ Trigger	Description	Output/ Completion criteria	Process role
5.6.1	Execute Change Backout Plan	Backout required from sub process 5.5 Implement Change Activity 5.5.8	Change Domain Expert determines that a change backout is required and executes the documented backout procedures.	Backout procedure successfully implemented	Change Domain Experts
5.6.2	Notify All Interest Parties of Backout	Backout Procedure 5.6.1 executed	Change owner notifies all interested parties of backout.	Notification of backout	Change Owner
5.6.3	Perform Root Cause Analysis On Failed Change	Backout notification	The Change Owner and Change Domain Experts apply their expertise to determine why the Change failed	Identification of root cause of change failure	
5.6.4	Root Cause Identified	Results from change failure analysis	If the root cause of the Change failure is determined, work instruction 5.6.5 is performed	Root Cause Documented	Change Owner and Change Domain Experts.
5.6.5	Identify and Document Corrective Actions	Documented root cause	The Change Owner and Change Domain Experts generate a list of corrective actions.	List of corrective actions	Change Owner and Change Domain Experts
5.6.6	Standard Change?	Corrective actions to failed change	Determine if this change was a standard change, if so, perform process 5.6.7 Update Standard Change Model Procedures, otherwise refer change and its backout back to the Build and Test Process.	Update standard change model or perform build and test process	Change Domain Experts.
5.6.7	Update Standard Change Model Procedures	Backout of Standard Change Required.	Determine what if any standard processes may have contributed this change being backed out and determine what changes can be implemented to the standard change process.	Updated Standard Change Procedures	Change Domain Experts

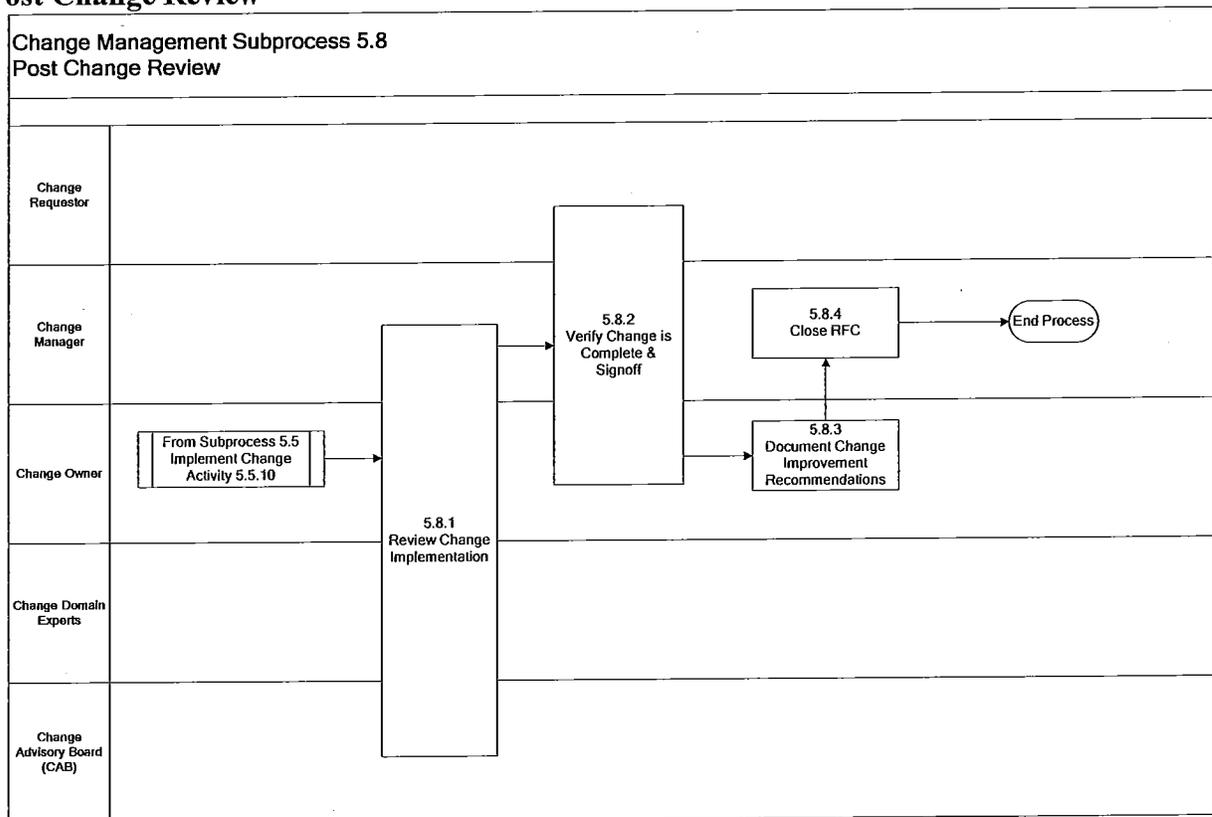
Urgent Change



No	Work instruction	Input/ Trigger	Description	Output/ Completion criteria	Process role
5.7.1	Convene Emergency CAB	Input: Change is an Urgent Change from sub process 1.0 Log & Classify Change Activity 5.1.9	The Change Manager convenes a meeting of the individuals who have been designated as members of the Emergency CAB (ECAB). Note that this meeting may very well not be face-to-face, given the urgency of the situation	Review Urgency, Risk, impact and assign the change to a owner	Change Manager
5.7.2	Assign Change Owner	Identification of urgent change	The Change Manager immediately assigns a Change Owner based on knowledge of the proposed change, the urgency of the Change, the customer and/or environment affected, etc.	Identified change owner	Change Manager
5.7.3	Assess Urgency, Risk and Impact of Change	Urgent change with ownership	The Emergency Change Board with the Change Manager and Change Owner review all available information regarding the scope, risk, impact and urgency of the proposed Urgent Change.	Urgent change with risk, impact, and urgency	Change Manager, Emergency CAB and Change Owner
5.7.4	Identify and	Approved urgent	The Change Owner	Implementa	Change

	Assign Resources (Change Domain Experts)	changes	immediately assigns Change Domain Experts to this change based on knowledge of the proposed change, the urgency of the Change, the customer and/or environment affected, etc	tion identified and assigned to change	Owner
5.7.5	Build and Test Required?	Approved urgent changes with resources assigned	The Change Domain Experts determine if Build and Test Process should be implemented. If Yes, submit Urgent Change to Build and Test Process, if not, perform sub process 5.5 Implement Change	Either implantation of urgent change or perform build and test process	Change Domain Experts

Post Change Review



No	Work instruction	Input/ Trigger	Description	Output/Completion criteria	Process role
5.8.1	Review Change Implementation	Completion of Sub process 5.5 Implement Change Activity 5.5.10	The Change Manger, Chang Owner, CDE and CAB review and verify the change as implemented.	Ensure change occurred according to plan	Change Manager, Change Owner, Change Domain

No	Work instruction	Input/ Trigger	Description	Output/Completion criteria	Process role
					Experts and CAB
5.8.2	Verify Change is Complete & Signoff	Implemented change	The Change Manger and Change owner validate that the RFC as implemented has meet the requirements as specified by the Change Requestor.	Change verified and signoff complete	Change Requestor, Change Manger and Change Owner
5.8.3	Document Change Improvement Recommendations	Complete and verified change	The Change Owner provides input to the Change Management Process Owner to determine if any changes are required in the Change Management Process.	List of change process improvements	Change Owner
5.8.4	Close RFC	Complete Change Implementation and Review	The Change manager verifies that all required steps have been completed and closes the RFC.		Change Manager

Attachment H

CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

This Confidential and Nondisclosure Agreement ("Agreement") is entered into by and between the State of Rhode Island, Department of Administration on behalf of the Department of Revenue, ("State"), and Saber Software, Inc. ("Contractor").

Contractor acknowledges that the State has certain confidential or sensitive information and/or material. Contractor requires access to this information or material for purposes specified herein and pursuant to the contract entered into between the State and the Contractor. The State agrees to release this information to the Contractor for those purposes pursuant to the terms and conditions contained in this Agreement. The Contractor agrees to the terms and conditions herein.

NOW THEREFORE, in consideration of the above premises and the promises contained herein, the Parties agree as follows:

1. Whenever used in this Agreement, the term "Confidential Information" will mean (i) information exempt from disclosure to the public or other unauthorized persons under either the Rhode Island General Laws or federal statutes; or (ii) any other information which the State has identified to the Contractor in writing as confidential at the time of disclosure or within thirty (30) days after disclosure; or (iii) information that would ordinarily be reasonably considered confidential or proprietary in the light of the circumstances surrounding disclosure. Confidential Information may take the form of (but is not limited to) plans, calculations, charts, concepts, know-how, inventions, licensed technology, design sheets, design data, diagrams, system design, materials, hardware, manuals, drawings, processes, schematics, specifications, source code, instructions, explanations, research, test procedures and results, equipment, identity and descriptions of components or materials used, motorist information supplied to the Contractor by the State, motorist medical and/or disability information supplied to the Contractor by the State, or any other material or information supplied by or on behalf of the State, or that is disclosed to or becomes known by the Contractor as a result of its dealings with the State. Confidential Information may be in tangible or intangible form. The State's failure to expressly identify Confidential Information as such shall not in any way lessen or negate the Contractor's obligation to keep such information confidential in accordance with this Agreement.
2. Notwithstanding the foregoing, the term "Confidential Information", shall not be construed to include information that (i) is or becomes readily available in public records or documents, other than as a result of a disclosure by the Contractor or other entity or persons acting on behalf of the Contractor, or by a third-party under prior existing obligations of confidentiality, or, (ii) can be documented to have been known by the Contractor or other entity or persons acting on behalf of the Contractor prior to its disclosure by the State and which is not subject to prior existing continuing obligations of confidentiality, or (iii) is disclosed after thirty (30) days prior notice to the State pursuant to applicable Rhode Island law and/or federal law, judicial action or government regulations, or (iv) is disclosed by a third-party under prior existing obligations of confidentiality.
3. The Contractor acknowledges that the Confidential Information is confidential and proprietary information of the State and that its protection is essential to the security and mission of the State. The purpose of this agreement is to enable the State to make disclosure of the Confidential Information to the Contractor while still maintaining rights in and control over the Confidential Information. The purpose is also to preserve confidentiality of the Confidential Information and to prevent its unauthorized disclosure. It is understood that this agreement does not grant Recipient an express or implied license or an option on a license, or any other rights to or interests in the Confidential Information other than the licensing provisions as defined in the contract between the State and the Contractor.
4. The Contractor shall require its employees, officers, independent contractors, and subcontractors, and any other entities acting on its behalf (collectively "Affiliates") to:
 - (a) copy, reproduce or use Confidential Information only for the purpose described herein and not for any other purpose unless specifically authorized to do so in writing by the State; and
 - (b) not permit any other person to use or disclose the Confidential Information for any purpose other than those expressly authorized by this Agreement; and
 - (c) disclose such Confidential Information only to those of its Affiliates who require knowledge of the same for the purpose described in herein; provided such Affiliates are obligated to maintain the confidentiality of the Confidential Information and otherwise comply with the terms of this Agreement; and

- (d) implement physical, electronic and managerial safeguards to prevent unauthorized access to or use of Confidential Information. Contractor agrees to require its employees to sign a separate individual employee Non Disclosure Agreement acceptable to both Parties.
- 5. The acts or omissions of the Contractor's Affiliates with respect to the Confidential Information shall be deemed to be acts or omissions of the Contractor.
- 6. The Contractor will not remove, obscure or alter any confidentiality or trade secret notation from the Confidential Information without the State's prior written authorization.
- 7. Confidential Information will remain the exclusive property of the State unless as otherwise provided for in the contract between the State and the Contractor; upon completion of the project and services described in Section 1, or whenever requested by the State, the Contractor will promptly destroy or return to the State all Confidential Information and all copies thereof, including summaries, reports or notes based thereon, unless otherwise expressly authorized by the State in writing.
- 8. The Contractor agrees that the breach of the terms of this Agreement may cause irreparable damage to the State. Therefore, the Contractor and the State have addressed the issues of indemnification and breach of contract in that Agreement entered into between the Parties entitled "DMV Modernization Contract #70002869". Further, the State has the right to seek an order to restrain the Contractor from breaching this agreement. If the State does seek such an order, the Contractor agrees at this time to waive any claim or defense that the State has an adequate remedy at law or in damages.
- 9. This Agreement and the Parties' contract for providing a new Division of Motor Vehicles licensing system ("DMV Modernization Contract #70002869") sets forth the entire agreement of the Parties with respect to the use and disclosure of the Confidential Information and may be modified only by a writing signed by both Parties. This Agreement will be construed and enforced in all respects in accordance with the laws of the State of Rhode Island. The Parties consent to the exclusive jurisdiction of the Superior Court of the State of Rhode Island and exclusive venue in Providence County, Providence, Rhode Island.
- 10. The Term of this Agreement shall be concurrent with the term of the contract entered into between the State and the Contractor, provided, however, the obligations of confidentiality shall continue and survive this Agreement.

APPROVED
 State of Rhode Island
 Director, Department of Administration

LAH

Lorraine A. Hynes
 Signature

Lorraine A. Hynes
 Print or Type Name

Director Special Projects, Information Policy Agent
 Title Date 1/30/08

APPROVED
 Saber Software, Inc.

[Signature]
 Signature

Seny Tollins
 Print or Type Name

General Counsel/CEO
 Title Date 1/30/08

1800 SW First Ave Suite 350
 Address

Portland, OR 97201

503-423-3909
 Phone

Letter of Agreement for Contractor's Employees

I am an employee of Saber Software, Inc. (hereafter referred to as "Contractor"), which I understand has entered into a contract with the State of Rhode Island, Department of Administration on behalf of the Department of Revenue (hereafter referred to as "State"). I have been assigned by Contractor to participate in providing services to the State.

I understand and agree that (1) I am not an employee or agent of the State; and (2) I have no right to receive compensation or benefits from the State. I shall notify the State immediately if at any time I believe that I am an employee, agent or independent contractor of the State.

For the purposes of this Agreement, the term "Confidential Information" means all information disclosed to me by Contractor and/or by the State that is or ordinarily should be reasonably considered confidential in light of the information and the circumstances of disclosure in connection with the performance of services for the State, including, but not limited to, motorist social security numbers, motorist identification numbers, motorist photographs, motorist addresses, motorist telephone numbers, and motorist medical or disability information, source codes developed for the State pursuant to the contract, etc. It does not include information (a) which I knew before Contractor or the State disclosed it to me and which is not subject to any continuing prior obligations of confidentiality by Contractor and/or myself; or (b) which has become publicly known through no fault of Contractor or myself or, by a third-party under prior existing obligations of confidentiality.

I agree not to disclose any Confidential Information to anyone. I agree not to use any Confidential Information except to perform services for the State. If I do unlawfully disclose any Confidential Information I understand and acknowledge that I am subject to civil and criminal prosecution by the State. Further, I acknowledge and understand that jurisdiction for any civil and/or criminal prosecution for any unlawful disclosure of Confidential Information shall lie in and with the State of Rhode Island and shall be prosecuted according to the laws of the State of Rhode Island and/or any and all applicable federal law.

I acknowledge that all Confidential Information remains the property of the State. I agree to return all Confidential Information to Contractor on Contractor's written request and/or to the State on the State's written request. In any event, upon termination of my employment or other relationship with Contractor and/or upon the expiration and/or termination of the contract between Contractor and the State, whichever occurs earlier, I hereby assign to the State, excluding work product modifications and improvements to Contractor's pre-existing IP, and other work product belonging to Contractor as further defined in the contract between the Contractor and the State, for no additional consideration, all right, title and interest in and to (a) any and all works of authorship, materials and technology created, written or developed by me in the course of providing services to the State ("Works"), and (b) all intellectual property rights associated with such Works, including copyrights. This Letter of Agreement shall survive and continue in full force and effect even after termination of my employment or other relationship with Contractor and/or upon the expiration and/or termination of the contract between Contractor and the State.

I acknowledge that any Confidential health care information shall not be released or transferred, in accordance with/without the written consent of the patient or except as authorized by RIGL 5-37.3-4(b)(1)-(22) of the chapter "Confidentiality of Health Care Communications and Information Act" or the Code of Federal Regulations entitled 42 CFR 2, Part 2 and 45 CFR Parts 160, 162 and 164.

