

PARTICIPATING ADDENDUM

eProcurement Solutions and Services
Led by the **State of Maine**



Master Agreement #: **MA 18P 23091500000000000034**

Contractor: **KPMG LLP**

Participating Entity: **STATE OF NORTH DAKOTA (ND)**

This Participating Addendum (Contract) is entered into by Contractor (CONTRACTOR) and Participating Entity (STATE) (collectively, the "Parties").

Scope and Participation:

1. Scope:

☒ This Participating Addendum includes the entire scope of the products and services available through the Master Agreement referenced above.

Additionally, CONTRACTOR, in exchange for the compensation paid by STATE under this Contract, shall provide Implementation and Post Implementation Support as described in Exhibit B, Exhibit C, and in the Merger and Modification section as well as future implementations, Managed Services and Other As-Needed services for the Ivalua eProcurement Solution defined in a future Statement of Work under this Participating Addendum.

Any implementation completed by state agencies, NDUS, and other government agencies shall be made available to STATE for full system usage.

☐ This Participating Addendum includes the entire scope of the products and services available through the Master Agreement referenced above, except the following:

Any scope exclusions specified herein apply only to this Participating Addendum and shall not amend or affect other participating addendums or the Master Agreement itself.

2. Participation: This Participating Addendum covers participation of Participating Entity in the above-referenced Master Agreement between the State of Maine and Contractor for eProcurement Solutions and Services. State agencies, entities under the North Dakota University System (NDUS), and other government entities will have the ability to customize, configure, or purchase workstreams under the resulting STATE Participating Addendum pursuant to North Dakota Century Code (NDCC) sections 54-44.4-13. Any Statements of Work requested by entities under this section must be approved by the Office of Management and Budget, State Procurement Office.

Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

3. Term:

☒ This Participating Addendum shall become effective as of the date of the last signature below and shall terminate upon the expiration or termination of the Master Agreement, as amended, unless the Participating Addendum is terminated sooner in accordance with the terms set forth herein.

Renegotiation Option - Because it is unknown how long the solution and services will be used by STATE and ongoing maintenance and support are required for as long as the system is operational, STATE and CONTRACTOR may renegotiate this Contract. After completion of the Initial Term, renewals, and extensions, STATE and CONTRACTOR may renegotiate the pricing and Term of this Contract. New pricing and Term shall be mutually agreed upon by the Parties and executed in writing.

If, during the Initial Term, any renewal, or extension STATE determines a realignment of the Term is needed (e.g., to align with STATE's fiscal biennium, SaaS period), the Parties may mutually agree, in writing, to a new Term with a termination date not to exceed the total available length of Contract including its Initial Term, renewals, and extensions.

☐ This Participating Addendum shall become effective as of the date of the last signature below and shall terminate on [date], unless terminated sooner or otherwise amended in accordance with the terms set forth herein. Notwithstanding the previous, in no event shall the term of the Participating Addendum exceed the term of the Master Agreement, as amended.

4. Primary Contacts: The following (or their named successors) are the primary contact individuals for this Participating Addendum:

CONTRACTOR:

Name:	Sougata Banerjee
Address:	2323 Ross Avenue, Suite 1400, Dallas, Texas 75201
Telephone:	916-213-7235 (Mobile)
Email:	sougatabanerjee@kpmg.com

PARTICIPATING ENTITY:

Name:	Tricia Opp
Address:	600 East Boulevard Ave, Dept 012, Bismarck, ND 58505
Telephone:	701-328-1721
Email:	topp@nd.gov

Participating Entity Modifications and Additions to the Master Agreement

- ☐ This Participating Addendum incorporates all terms and conditions of the Master Agreement as applied to the Participating Entity and Contractor.
- ☒ This Participating Addendum incorporates all terms and conditions of the Master Agreement as applied to the Participating Entity and Contractor, **subject to the limitations, modifications, and additions listed in Exhibit A.** Any limitations, modifications, or additions specified herein

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apply only to the agreement and relationship between Participating Entity and Contractor and shall not amend or affect other participating addendums or the Master Agreement itself.

5. Lease Agreements: **"Reserved"**.
6. Subcontractors: All contractors, dealers, and resellers authorized to provide sales and service support in Participating Entity's state, as shown on Contractor's NASPO ValuePoint-specific webpage, may provide sales and service support to users of this Participating Addendum. Participation of Contractor's contractors, dealers, and resellers will be in accordance with the terms and conditions set forth in the Master Agreement.
7. Orders: Any order placed by Participating Entity or a Purchasing Entity for a product or service offered through this Participating Addendum shall be deemed to be a sale under, and subject to the pricing and other terms and conditions of, the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to the order.

NASPO ValuePoint
PARTICIPATING ADDENDUM

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IN WITNESS WHEREOF, the Parties have executed this Participating Addendum.

CONTRACTOR

Signature:  Sougata Banerjee (May 23, 2024 08:47 EDT)
Name: Sougata Banerjee
Title: Managing Director
Date: 05/23/2024

PARTICIPATING ENTITY- STATE OF ND, ACTING THROUGH ITS

OFFICE OF MANAGEMENT AND BUDGET,
STATE PROCUREMENT OFFICE

INFORMATION TECHNOLOGY
DEPARTMENT

Signature:  Sherry L. Neas (May 23, 2024 12:52 CDT)	Signature: 
Name: Sherry L. Neas	Name: Greg Hoffman
Title: Director Shared Services Divison	Title: Deputy CIO
Date: 05/23/2024	Date: 05/23/2024

For questions regarding NASPO ValuePoint Participating Addendums, please contact the Cooperative Contract Coordinator team at info@naspovaluepoint.org.

Fully executed NASPO ValuePoint Participating Addendums must be submitted via email in PDF format to pa@naspovaluepoint.org.



**EXHIBIT A – PARTICIPATING ENTITY MODIFICATIONS AND ADDITIONS TO THE
MASTER AGREEMENT**

See standalone document

KPMG EXHIBIT A – PARTICIPATING ENTITY (STATE) MODIFICATIONS AND ADDITIONS TO THE MASTER AGREEMENT

1. COMPENSATION-PAYMENTS

This item amends Master Agreement Attachment A, item 6.2 Payment

a. **Contractual Amount**

STATE shall pay for the accepted services provided by CONTRACTOR under this Contract an amount not to exceed \$1,305,433.00 (Contractual Amount). The Contractual Amount shall be paid according to the Compensation Details document attached as Exhibit C.

The Contractual Amount is firm for the duration of this Contract and constitutes the entire compensation due CONTRACTOR for performance of its obligations under this Contract regardless of the difficulty, materials or equipment required, including fees, licenses, overhead, profit and all other direct and indirect costs or expenses incurred by CONTRACTOR except as provided by an amendment to this Contract.

b. **Retainage**

All deliverable payments shall be subject to 10% retainage. Retained amounts due to CONTRACTOR shall be paid upon Final Acceptance.

c. **Invoicing**

The final cost set forth on each invoice shall be equivalent to the cost for each deliverable or service as specified in the Scope of Work. CONTRACTOR shall not submit an invoice for any deliverable or service specified in the Scope of Work that STATE has not fully accepted.

d. **Payment**

Payment made in accordance with this Compensation section shall constitute payment in full for the services and work performed and the deliverables provided under this Contract and CONTRACTOR shall not receive any additional compensation hereunder.

STATE shall make payment under this Contract within forty-five (45) calendar days after receipt of an approved invoice.

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

For any amounts that are or will become due and payable to STATE by CONTRACTOR, STATE reserves the right to deduct the amount owed from payments that are or will become due and payable to CONTRACTOR under this Contract.

e. **Travel**

CONTRACTOR acknowledges travel expenses are covered by the Contractual Amount and shall not invoice STATE for travel expenses. Travel is limited to five (5) total weeks during the project for key milestones – Project Kick-off, Design Validation, User Acceptance Testing (UAT), and Train-the-Trainer training, Final Project Closeout Meeting. STATE and CONTRACTOR agree onsite means 8:30 AM CT on Mondays, ending at 12:00 PM CT on Friday, unless otherwise approved by STATE in email.

If additional travel is needed, STATE and CONTRACTOR will execute an amendment to identify what is needed and total travel budget. STATE shall reimburse CONTRACTOR for expenses related to travel at amounts not to exceed those outlined below:

1) Lodging: Reimbursement shall not exceed the then-current, published GSA rate for the travel location. Copies of receipts are required for lodging reimbursement. STATE shall not reimburse for incidental and miscellaneous expenses charged to the room, including alcohol, telephone charges, or entertainment (e.g., movies).

2) Transportation: Air travel shall be reimbursed by STATE at the actual cost of airfare for coach class travel only. CONTRACTOR shall make air travel arrangements at least fourteen (14) days in advance whenever possible. Reimbursement for rented, chartered, or contracted vehicle transportation shall be limited to reasonable rates as determined by STATE.

3) Meals: Meals shall be paid on a per diem basis for each day of travel at then-current, published GSA per diem rate for the travel location. Per diem for the first and last day of travel shall be paid at seventy-five percent (75%) of the GSA per diem rate. Requests for per diem payments must include the start and end dates of travel, the location where the services are performed, and the allowable per diem amount for each trip on the billing/invoice.

Payment for any travel expenses that exceed the travel budget as agreed upon by the Parties must be approved by STATE's project manager.

f. Prepayment

STATE will not make any advance payments before performance or delivery by CONTRACTOR under this Contract.

g. Payment of Taxes by State

STATE is not responsible for and will not pay local, state, or federal taxes. STATE sales tax exemption number is E-2001. STATE will furnish certificates of exemption upon request by CONTRACTOR.

h. Taxpayer ID

CONTRACTOR's federal employer ID number is: 13-5565207.

2. CANCELLATION

This item amends Master Agreement Attachment A, item 14.6 Cancellation

Master Agreement Attachment A, item 14.6 does not apply under this Participating Addendum.

3. TERMINATION

This item supplements Master Agreement Attachment A, item 14.8 Defaults and Remedies

a. Termination by Mutual Agreement

This Contract may be terminated by mutual consent of both Parties executed in writing.

b. Early Termination in the Public Interest

STATE is entering this Contract for the purpose of carrying out the public policy of the State of North Dakota, as determined by its Governor, Legislative Assembly, Agencies, and Courts. If this Contract ceases to further the public policy of the State of North Dakota, STATE, in its sole discretion, by written notice to CONTRACTOR, may terminate this Contract in whole or in part.

c. Termination for Lack of Funding or Authority

STATE, by written notice to CONTRACTOR, may terminate the whole or any part of this Contract under any of the following conditions:

- 1) If funding from federal, state, or other sources is not obtained or continued at levels sufficient to allow for purchase of the services or goods in the indicated quantities or term.
- 2) If federal or state laws or rules are modified or interpreted in a way that the services or good are no longer allowable or appropriate for purchase under this Contract or are no longer eligible for the funding proposed for payments authorized by this Contract.
- 3) If any license, permit, or certificate required by law or rule, or by the terms of this Contract, is for any reason denied, revoked, suspended, or not renewed.

Termination of this Contract under this subsection is without prejudice to any obligations or liabilities of either Party already accrued prior to termination.

d. Termination for Cause.

STATE may terminate this Contract effective upon delivery of written notice to CONTRACTOR, or any later date stated in the notice:

- 1) If CONTRACTOR fails to provide services or goods required by this Contract within the time specified or any extension agreed to in writing by STATE; or
- 2) If CONTRACTOR fails to perform any of the other provisions of this Contract, or so fails to pursue the work as to endanger performance of this Contract in accordance with its terms.

The rights and remedies of STATE provided in this subsection are not exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

However, if STATE seeks to terminate this Contract for cause pursuant to this Section 3.d, STATE shall first notify CONTRACTOR in writing of its intent to terminate, identify the alleged deficiencies in performing giving rise to the intent to terminate, and shall not terminate this Contract for cause unless CONTRACTOR fails to cure the specified deficiencies within thirty (30) days of Contractor's receipt of notice of such deficiencies.

4. SUSPENSION FOR CONVENIENCE

This item supplements Master Agreement Attachment A

STATE shall have the right at any time to order the services of CONTRACTOR fully or partially stopped for STATE's own convenience. STATE shall provide CONTRACTOR written notice of the reason for and duration of the suspension. The schedule shall be delayed on a day-for-day basis to the extent STATE has issued a stop work order to CONTRACTOR and such stop work order is causing delays in completing services in accordance with the schedule. CONTRACTOR shall have the right to submit claims in accordance with the terms of this Contract as a result of stop work orders issued under this section. If the STATE's suspension of services continues for more than ninety (90) days, then the Contract shall be deemed terminated by mutual agreement pursuant Section 3.a.

5. LIQUIDATED DAMAGES

This item supplements Master Agreement Attachment A, item 14.8 Defaults and Remedies

The Parties agree that STATE may suffer damages due to a failure by CONTRACTOR to provide deliverables or services under this Contract. Because it is difficult to fix the actual damages sustained in the event of such delays, STATE and CONTRACTOR agree that the amount of damages shall be determined as per this section. In the event of any non-performance CONTRACTOR shall pay that amount as liquidated damages and not as a penalty. Amounts due to STATE as liquidated damages may be deducted by STATE from any amounts payable to

CONTRACTOR, and any amount outstanding over and above the amounts deducted from the invoice shall be promptly tendered by check from CONTRACTOR to STATE.

Delays due to causes of Force Majeure or due to the responsibility of STATE shall extend the time for performance on a day-for-day basis. STATE shall not assess liquidated damages against CONTRACTOR when the delay in delivery or performance is beyond the control and without the fault or negligence of CONTRACTOR.

a. Failure to Complete Deliverable on Schedule:

If CONTRACTOR fails to complete a Deliverable identified in the SOW by the specified deadline (or revised deadline as agreed upon between the Parties through the Integrated Change Control Process), CONTRACTOR shall pay liquidated damages to STATE in the amount of \$1,350 per calendar day for each day the Deliverable is delayed.

b. Failure to Complete Project on Schedule:

If CONTRACTOR fails to complete the project per the approved project schedule by the specified deadline (or revised deadline as agreed upon between the Parties through the Integrated Change Control Process), STATE shall deduct liquidated damages from amounts payable to CONTRACTOR in the amount of \$1,500 per calendar day for each day the project is delayed.

6. RIGHT OF SETOFF DAMAGES

This item supplements Master Agreement Attachment A, item 14.8 Defaults and Remedies

Amounts due STATE by CONTRACTOR, including liquidated or other damages, or claims for damages, may be deducted or set-off by STATE from any money payable to CONTRACTOR pursuant to this Contract.

7. RIGHT TO WITHHOLD AMOUNTS OTHERWISE DUE IF THE CONTRACTOR IS IN BREACH

This item supplements Master Agreement Attachment A, item 14.8 Defaults and Remedies

If CONTRACTOR fails to deliver Deliverables or to provide Services which satisfy CONTRACTOR's obligations under this Contract, STATE shall have the right to withhold any and all payments due under this Contract. STATE may withhold any and all such payments due under this Contract to CONTRACTOR without penalty or work stoppage by CONTRACTOR, until such failure to perform is cured.

8. RIGHT TO REMEDIES AND CUMULATION OF RIGHTS

This item supplements Master Agreement Attachment A, item 14.8 Defaults and Remedies

No remedy conferred by any of the specific provisions of this Contract is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and shall be in addition to every other remedy given under this Contract, now or in the future existing at law or in equity or by statute or otherwise.

9. INDEMNIFICATION

This item supplements Master Agreement Attachment A, item XII Indemnification

Any attorney appointed to represent the State must first qualify as and be appointed by the North Dakota Attorney General as a Special Assistant Attorney General as required under N.D.C.C. § 54-12-08. CONTRACTOR also agrees to reimburse the State for all costs, expenses and attorneys' fees incurred if the State prevails in an action against CONTRACTOR in establishing and litigating

the indemnification coverage provided herein. This obligation shall continue after the termination of this Contract.

10. LIMITATION OF LIABILITY

This item supplements Master Agreement Attachment A, item 14.16 Limitation of Liability

The limitations specified within the NASPO ValuePoint Master Agreement's Section 14.16 govern to the extent allowed under N.D.C.C. sec. 32-12.2-15.

11. REPRESENTATIONS AND WARRANTIES

This item supplements the Master Agreement

CONTRACTOR represents and warrants to STATE that neither CONTRACTOR, in connection with performing the services in performance of this Contract, nor the Deliverables delivered by CONTRACTOR, will infringe any patent, copyright, trademark, trade secret or other proprietary right of any person. CONTRACTOR further represents and warrants to STATE that it will not use any trade secrets or confidential or proprietary information owned by any third party in performing the services related to this Contract or in delivery of the completed product unless CONTRACTOR has the authority to license, use or provide those trade secrets or confidential or proprietary information to STATE. CONTRACTOR further represents and warrants to STATE that neither CONTRACTOR nor any other company or individual performing services pursuant to this Contract is under any obligation to assign or give any work done under this Contract to any third party.

12. INSURANCE

This item supplements Master Agreement Attachment A, item XIII Insurance

- a. Commercial general liability, including premises or operations, contractual, and products or completed operations coverages (if applicable), with minimum liability limits of \$2,000,000 per occurrence.
- b. The insurance coverages listed above must meet the following additional requirements:
 - 1) Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the CONTRACTOR.
 - 2) The duty to defend, indemnify, and hold harmless the State under this agreement shall not be limited by the insurance required in this agreement.
 - 3) The state of North Dakota and its agencies, officers, and employees (State) shall be endorsed on the commercial general liability policy, including any excess policies (to the extent applicable), as additional insured. The State shall have all the benefits, rights and coverages of an additional insured under these policies that shall not be limited to the minimum limits of insurance required by this agreement or by the contractual indemnity obligations of the CONTRACTOR.
 - 4) A Waiver of Subrogation" waiving any right to recovery the insurance company may have against the State.

13. TECHNOLOGY STANDARDS

This item supplements the Master Agreement

- a. CONTRACTOR's services and deliverables shall comply with applicable STATE enterprise architecture technology standards. These standards can be found on STATE's website at <https://www.ndit.nd.gov/standards>. If CONTRACTOR is unable to comply with any applicable standard, a Request for Exemption from Information Technology Standards or Statutory Policies (SFN 51687) must be submitted in coordination with STATE and CONTRACTOR for the North Dakota Information Technology Department's review and approval or disapproval.

- b. CONTRACTOR's services and deliverables shall comply with the Federal Rehabilitation Act Section 508/SBHE Policy 1203.1 Digital Accessibility.
- c. When STATE and CONTRACTOR agree that remote access to systems is required, STATE shall provide the necessary supervised remote access security to enable CONTRACTOR access to the appropriate STATE systems.

14. PERSONNEL

This item supplements the Master Agreement

- a. STATE will designate a Project Manager to serve as the primary project manager for this Contract. If, during the course of this Contract, it becomes necessary for STATE to change the person assigned as STATE's Project Manager, STATE will notify CONTRACTOR in writing, pursuant to Notice section of this Contract.
- b. Unless STATE otherwise notifies CONTRACTOR, STATE's Project Manager shall carry out STATE's administrative and management functions under this Contract, shall be responsible for acceptance of the Contract deliverables, and shall provide support and overall direction to CONTRACTOR.
- c. CONTRACTOR will designate a Project Manager and provide individuals to meet the requirements and accomplish the work as stated in this Contract including any mutually agreed upon Scope of Work.
- d. CONTRACTOR agrees and understands that STATE's execution of this Contract is predicated, in part and among other considerations, on the utilization of the specific individuals and personnel qualifications as identified; primary being Sougata Banerjee (Lead Engagement Partner), Yash Acharya (QA Partner), Will Robison (Functional Lead), Manesh Mani (Project Manager and Technical Lead), and Alexander Price (Training Lead). Therefore, CONTRACTOR agrees that:
 - 1) Prior to reassignment of personnel, CONTRACTOR shall obtain written approval from STATE for all personnel to be assigned to this project.
 - 2) The personnel assigned must have the knowledge necessary to complete requirements as defined in this Contract.
 - 3) CONTRACTOR shall warrant that all personnel assigned to perform tasks in response to this Contract will remain assigned for the agreed-upon length of time as indicated in the project plan for their duration of project activities as applicable and as agreed upon by STATE.
 - 4) Other than circumstances beyond CONTRACTOR's control or at the STATE's request, no replacement, reassignment or substitution of any assigned individuals and personnel qualifications shall be made without the prior written approval of STATE and that such replacement, reassignment or substitution shall be made at no additional cost to STATE.
 - 5) Any substitution made pursuant to this paragraph must be of equal or higher skills, knowledge, and abilities than those personnel originally proposed, and that STATE's approval of a substitution is not construed as an acceptance of the substitution's performance potential. STATE agrees that an approval of a substitution will not be unreasonably withheld.
- e. Upon request by STATE, CONTRACTOR shall replace any CONTRACTOR personnel that STATE determines, in its sole discretion, to be unable to perform the responsibilities of this Contract acceptably, e.g., inappropriate or unprofessional personal conduct, professional inabilities, etc.

- f. STATE's working hours are Monday through Friday from 8:00 AM until 5:00 PM (CST or CDT) with one hour for lunch. STATE Project Manager may approve alternate work schedules.
- g. According to STATE policy, STATE personnel are only obligated to work a forty-hour workweek, Monday through Friday, and are allowed reasonable vacation, sick and educational absences.
- h. CONTRACTOR's personnel are not expected to work on State holidays or other mandatory leave days.
- i. CONTRACTOR agrees that STATE may require any personnel CONTRACTOR assigns to perform work under this Contract, including employees, contracted staff, subcontractors, or other individuals, to submit to a criminal history record check in accordance with N.D.C.C. §12-60-24, through the authority granted to the chief information officer of the STATE pursuant to N.D.C.C. § 54-59-20. STATE shall have the right to reject any individual CONTRACTOR assigns to perform work under this Contract if, in STATE's sole discretion, it determines that the results of the criminal history record check make the individual unacceptable. CONTRACTOR agrees to be responsible for all costs associated with criminal history record checks carried out pursuant to this paragraph.

15. PROJECT MANAGEMENT

This item supplements the Master Agreement

a. Reporting

- 1) CONTRACTOR's Project Manager shall deliver to STATE's Project Manager, biweekly report of CONTRACTOR's progress on the project and meeting the objective/deliverables as stated in the Scope of Work. Each report must contain a description of the current status of the project, the tasks on which time was spent, the estimated progress to be made in the next reporting period, and the problems encountered the proposed solutions to them and their effect, if any, on the project budget/schedule.
- 2) Project Variance Reporting – CONTRACTOR must provide data to allow STATE's project manager to calculate cost and schedule variance in accordance with N.D.C.C. § 54-59-23 as determined by STATE. If STATE's analysis shows a negative cost or schedule variance exceeding 20%, a subsequent report must also provide proposed corrective measures to address the issues.

b. Integrated Change Control Process

CONTRACTOR and STATE will utilize an integrated change control process to manage changes during the life of a project.

- 1) A change request must be in writing to document the potential change. The write-up for the proposed change must be submitted to CONTRACTOR and STATE's project managers who will in turn provide it to relevant Parties for assessment.
- 2) All change requests will be logged and tracked. STATE's project manager will record the request in the project repository and will update the repository throughout the process.
- 3) The change will be reviewed and, if acceptable to STATE, CONTRACTOR will submit to STATE an estimate of the impact to cost, schedule, scope, and quality.
- 4) CONTRACTOR will continue performing the services in accordance with the original Contract unless otherwise agreed upon by STATE's project manager. Work shall not commence on any new activities related to the change request until all Parties agree in writing.
- 5) CONTRACTOR's project manager and STATE's project manager will adapt the Project Management Plan to incorporate approved changes.

- 6) Each change request duly authorized in writing by the Parties shall be incorporated into and considered part of this Contract.
- 7) During the course of this Contract, if CONTRACTOR determines or could reasonably determine any STATE actions or directions constitute a requirement to perform additional work, CONTRACTOR shall notify STATE within thirty (30) calendar days that STATE has requested CONTRACTOR to perform additional work in the form of a change request utilizing the process above. CONTRACTOR understands that it waives the right to request additional time and reimbursable costs if CONTRACTOR fails to notify STATE within thirty (30) calendar days of determining or reasonably being able to determine that any STATE actions or directions constitute a requirement to perform additional work under this Contract.
- 8) If STATE fails to perform any of their respective responsibilities in a timely manner and causes delays to the agreed upon schedule, STATE and CONTRACTOR will review the impact to the remaining scheduled activities. Any schedule change caused by STATE will be managed through the Integrated Change Control process and may result in increased cost to STATE and CONTRACTOR shall not incur any liability to STATE as a result of such delays or deficiencies.

c. Deliverable Acceptance

- 1) Upon completion of a deliverable, CONTRACTOR will furnish STATE with the deliverable and associated documentation, the expected performance, and agreed upon Acceptance Criteria.
- 2) After receipt of items in Paragraph 15(c)(1), STATE will have ten (10) business days or a different period of time as is agreed to by the Parties, in which to accept or reject each item in writing. STATE will accept by signature. If STATE rejects it, STATE will specify in writing its grounds for rejection and CONTRACTOR shall use its best efforts to revise any issues for the deliverables to be acceptable to STATE within the following five (5) working days ("Work-Out Period"). This process shall continue until the deliverable is accepted; provided that if STATE rejects the deliverable again after three Work-Out Periods, STATE will have the option of repeating the procedure as described in this acceptance statement above, escalating the issue to the Executive Steering Committee, or terminating this Contract upon written notice to CONTRACTOR.

d. Final Acceptance

- 1) The successful completion of all deliverables as stated in the Scope of Work in accordance with the deliverable acceptance process AND
- 2) The final delivered product fully implemented in STATE's live production environment AND
- 3) STATE has sixty (60) calendar days thereafter in which to accept or reject it in writing. If STATE rejects it, STATE shall specify in writing its grounds for rejection and CONTRACTOR shall use its best efforts to make the product conform to the requirements of this Contract as soon as possible and at no additional cost to STATE. CONTRACTOR shall continue to use its best efforts to make the product conform to the requirements of this Contract until STATE accepts the product or terminates this Contract upon written notice to CONTRACTOR.

16. PRODUCT CONFORMITY

This item supplements the Master Agreement

STATE has twelve (12) months following Final Acceptance of the product(s) delivered by CONTRACTOR pursuant to this Contract to verify that the product(s) conform in all material respects to the requirements of this Contract and perform according to CONTRACTOR system design specifications. Upon recognition of an error, deficiency, or defect, by STATE, CONTRACTOR shall be notified in writing by STATE citing any specific deficiency (deficiency being defined as

CONTRACTOR having performed incorrectly with the information provided by STATE, not CONTRACTOR having to modify a previous action due to additional and/or corrected information from STATE). CONTRACTOR, at no additional charge to STATE, shall provide a correction or provide a mutually acceptable plan for correction within thirty (30) calendar days following the receipt of STATE's notice to CONTRACTOR. This warranty shall not apply to the extent the non-conformity arises out of (i) use of the final product other than in accordance with applicable documentation or instructions, (ii) any alteration, modification, or revision of the final product not expressly authorized in writing by CONTRACTOR, or (iii) the underlying State Materials (including any updates and upgrades thereto). Any claim for breach of CONTRACTOR's warranties set forth in this section or any other claims for breach of warranty with respect to the final product's failure to conform to its Specifications in all material respects must be made by written notice to CONTRACT within twelve (12) months after acceptance of the final product. If CONTRACTOR's correction is inadequate to correct the deficiency, or defect, or the error recurs, STATE's exclusive remedies, and CONTRACTOR's entire liability, shall be, at CONTRACTOR's option, (i) CONTRACTOR's repair and replacement of the final product or (ii) the refund to STATE of the amount paid to CONTRACTOR for the applicable service(s) and deliverable(s); produced or developed exclusively by CONTRACTOR.

17. SAAS AND DATA SECURITY

This item supplements the Master Agreement

Data means any information provided to, or collected, generated, stored, or processed by the system. Data includes user identification information and metadata which may contain Data or from which the STATE's Data may be ascertainable.

Remote access to Data from outside the continental United States will only be allowed during implementation by named authorized support staff. All other remote access to Data from outside the continental United States is prohibited.

Post go-live, remote access to production Data from outside the continental United States is prohibited. If access is needed, staff authorization must be authorized via a Request for Exemption from Information Technology Standards or Statutory Policies (SFN 51687), submitted in coordination with STATE and CONTRACTOR for the North Dakota Information Technology Department's review and approval or disapproval.

18. DATA PROCESSING AND LOCATION:

This item supplements the Master Agreement

- a) CONTRACTOR shall transmit, process, and store STATE Data within the continental United States.

19. SUPPORT

This item supplements the Master Agreement

Post go-live, CONTRACTOR shall provide three (3) months of Hypercare support. This support will consist of system setup/configuration changes, issue assessment/resolution/triage support tickets, system performance and stability monitoring/adjustment, system use assessment, mentoring of STATE staff, training inputs, coordination of any CONTRACTOR off-site tasks and support resources, and coordinate any needed documentation and delivered documentation updates.

STATE will set the Incident Severity when the STATE Tier 1/Level 1 Help Desk submits a helpdesk ticket, unless otherwise agreed upon between the Parties.

Incident Severity	Response Time	Resolution Time	Escalation Procedure
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Critical – Defect severely affects customers/end-users. No acceptable workaround exists.	1 hour	Final Resolution within: 4 hours	STATE Tier 1/Level 1 Help Desk submits a helpdesk ticket on behalf of the end user. Tier 2/Level 2 Support (CONTRACTOR) will triage and pull in Tier 3/Level 3 Support (Ivalua*). A tag to Production to deliver the configuration/code changes will need to be scheduled and delivered immediately.
High Impact – Functionality or critical business process is severely impaired or hindered but a workaround exists to temporarily mitigate the issue.	4 hours	Final Resolution within: 8 hours (1 business day)	STATE Tier 1/Level 1 Help Desk submits a helpdesk ticket on behalf of the end user. Tier 2/Level 2 Support (CONTRACTOR) will triage and pull in Tier 3/Level 3 Support (Ivalua*). A tag to Production to deliver the configuration/code changes will need to be scheduled and delivered on a mutually agreed upon basis.
Medium Impact – Defect impairs functionality where an acceptable workaround may be used as a temporary measure while a fix is being implemented.	6 hours	Final Resolution within: 16 hours (2 business days)	STATE Tier 1/Level 1 Help Desk submits a helpdesk ticket on behalf of the end user. Tier 2/Level 2 Support (CONTRACTOR) will triage. If it is a configuration issue, Tier 2/Level 2 Support (CONTRACTOR) will provide a resolution. If it is a data-related/user issue, Tier 2/Level 2 Support (CONTRACTOR) will re-assign to State Operations team to provide a resolution. A tag to Production to deliver the configuration changes will need to be scheduled and delivered based on the standard weekly delivery schedule.
Low Impact – A minor issue that causes some loss of functionality with no impact to customers/end-users' ability to perform business.	8 hours	Final Resolution within: 40 hours (1 business week)	STATE Tier 1/Level 1 Help Desk submits a helpdesk ticket on behalf of the end user. Tier 2/Level 2 Support (CONTRACTOR) will triage. If it is a configuration issue, Tier 2/Level 2 Support (CONTRACTOR) will provide a resolution. If it is a data-related/user issue, Tier 2/Level 2 Support (CONTRACTOR) will re-assign to State Operations team to provide a resolution. A tag to Production to deliver the configuration changes will need to be scheduled and delivered based on the standard weekly delivery schedule.

*To bring in Ivalua, Tier 2/Level 3 Support (CONTRACTOR) will create and submit a ticket within Ivalua's ticketing system (Extranet).

20. CONFIDENTIALITY

This item replaces the Master Agreement Attachment A, 14.2.1 Confidentiality

CONTRACTOR shall not use or disclose any information it receives from STATE under this Contract that STATE has previously identified as confidential or exempt from mandatory public disclosure except as necessary to carry out the purposes of this Contract or as authorized in advance by STATE. STATE shall not disclose any information it receives from CONTRACTOR that CONTRACTOR has previously identified as confidential and that STATE determines in its sole discretion is protected from mandatory public disclosure under a specific exception to the North Dakota public records law, [N.D.C.C. ch. 44-04](#). The duty of STATE and CONTRACTOR to maintain confidentiality of information under this section continues beyond the Term of this Contract.

21. COMPLIANCE WITH PUBLIC RECORDS LAWS

This item supplements the Master Agreement

Under the North Dakota public records law and subject to the Confidentiality clause of this Contract, certain records may be open to the public upon request.

Public records may include: (a) records STATE receives from CONTRACTOR under this Contract, (b) records obtained by either Party under this Contract, and (c) records generated by either Party under this Contract.

CONTRACTOR agrees to contact STATE immediately upon receiving a request for information under the public records law and to comply with STATE's instructions on how to respond to such request.

22. MERGER AND MODIFICATION, CONFLICT IN DOCUMENTS

This item supplements the Master Agreement Attachment A, item 3.1 Order of Precedence

This Contract, including the following documents, constitutes the entire agreement between the Parties. There are no understandings, agreements, or representations, oral or written, not specified within this Contract. This Contract may not be modified, supplemented, or amended, in any manner, except by written agreement signed by both Parties.

Notwithstanding anything herein to the contrary, in the event of any inconsistency or conflict among the documents making up this Contract, the documents must control in this order of precedence:

- a. The terms of this Contract as may be amended;
- j. STATE's Second BAFO issued January 19, 2024;
- k. CONTRACTOR's Second BAFO response dated January 25, 2024;
- l. CONTRACTOR's BAFO Clarifications response dated January 17, 2024;
- m. CONTRACTOR's BAFO response dated December 18, 2023;
- n. STATE's BAFO issued November 20, 2023 and associated amendments 1 through 5;
- o. STATE's Request for Responses, Phase 2, issued August 15, 2022 and associated amendments 1 and 2;
- p. STATE's Request for Responses, Phase 1, issued June 9, 2022 and associated amendments 1 and 2;
- q. CONTRACTOR's proposal to Phase 2 dated August 24, 2022;
- r. CONTRACTOR's proposal to Phase 1 dated July 19, 2022;
- s. NASPO Master Agreement executed September 19, 2023

All automated end-user agreements (e.g., click-through, shrink-wrap, or browse-wrap) are specifically excluded and null and void. Clicking shall not represent acknowledgement or agreement to any terms and conditions contained in those agreements.

23. UNANTICIPATED AMENDMENTS

This item supplements the Master Agreement

If additional work is required within the scope of this Contract due to a legitimate unforeseen circumstance, STATE shall provide CONTRACTOR a written description of the additional work and request CONTRACTOR to submit a proposal for accomplishing the scope of work. CONTRACTOR will not commence additional work until all Parties agree in writing.

24. SEVERABILITY

This item supplements the Master Agreement

If any term of this Contract is declared to be illegal or unenforceable by a court having competent jurisdiction, the validity of the remaining terms is unaffected and, if possible, the rights and obligations of the Parties are to be construed and enforced as if this Contract did not contain that term.

25. APPLICABLE LAW AND VENUE

This item supplements the Master Agreement Attachment A, Governing Law and Venue items 14.12.1 and 14.12.2

This Contract is governed by and construed in accordance with the laws of the State of North Dakota. Any action to enforce this Contract must be adjudicated exclusively in the state District Court of Burleigh County, North Dakota. Each Party consents to the exclusive jurisdiction of such court and waives any claim of lack of jurisdiction or *forum non conveniens*.

Master Agreement Attachment A, item 14.12.3 does not apply under this Participating Addendum.

26. ALTERNATIVE DISPUTE RESOLUTION – JURY TRIAL

This item supplements the Master Agreement

By entering this Contract, STATE does not agree to binding arbitration, mediation, or any other form of mandatory Alternative Dispute Resolution. The Parties may enforce the rights and remedies in judicial proceedings. STATE does not waive any right to a jury trial.

27. ATTORNEY FEES AND COSTS

This item supplements the Master Agreement

In the event a lawsuit is instituted by STATE to obtain performance under this Contract, and STATE is the prevailing Party, CONTRACTOR shall, except when prohibited by [N.D.C.C. § 28-26-04](#), pay STATE's reasonable attorney fees and costs in connection with the lawsuit.

28. NONDISCRIMINATION - COMPLIANCE WITH LAWS

This item supplements the Master Agreement

CONTRACTOR agrees to comply with all applicable federal and state laws, rules, and policies, including those relating to nondiscrimination, accessibility and civil rights. (See [N.D.C.C. Title 34 – Labor and Employment](#), specifically [N.D.C.C. ch. 34-06.1](#) Equal Pay for Men and Women.)

CONTRACTOR agrees to timely file all required reports, make required payroll deductions, and timely pay all taxes and premiums owed, including sales and use taxes, unemployment compensation and workers' compensation premiums. CONTRACTOR shall have and keep current all licenses and permits required by law during the Term of this Contract all licenses and permits required by law.

CONTRACTOR is prohibited from boycotting Israel for the duration of this Contract. (See [N.D.C.C. § 54-44.4-15](#).) CONTRACTOR represents that it does not and will not engage in a boycotting Israel during the term of this Contract. If STATE receives evidence that CONTRACTOR boycotts Israel, STATE shall determine whether the company boycotts Israel. The foregoing does not apply to contracts with a total value of less than \$100,000 or if CONTRACTOR has fewer than ten full-time employees.

CONTRACTOR's failure to comply with this section may be deemed a material breach by CONTRACTOR entitling STATE to terminate in accordance with the Termination for Cause section of this Contract.

29. STATE AUDIT

This item supplements the Master Agreement Attachment A, item XIV General Provisions 14.1

Pursuant to N.D.C.C. § 54-10-19, all records, regardless of physical form, and the accounting practices and procedures of CONTRACTOR relevant to this Contract are subject to examination by the North Dakota State Auditor, the Auditor's designee (contingent on Auditor's designee signing CONTRACTOR's Non-disclosure agreement) or Federal auditors, if required. CONTRACTOR shall maintain these records for at least three (3) years following completion of this Contract and be able to provide them upon reasonable notice. STATE or State Auditor, or Auditor's designee shall provide reasonable notice to CONTRACTOR prior to conducting examination.

EXHIBIT B – Scope of Work (SOW)

1. DELIVERABLE 1: PROJECT KICKOFF MEETING

a. Description:

CONTRACTOR shall coordinate with STATE to schedule a Kickoff Meeting in Bismarck, ND and virtually via STATE's Microsoft Teams site with the core project team and interested stakeholders. CONTRACTOR's Project Manager shall lead the meeting. The Kickoff Meeting must facilitate the introduction of CONTRACTOR and STATE core project team members, and level-set understanding and awareness of project objectives, scope, governance, schedule, and project risks and issues.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall provide content to STATE for a detailed agenda in advance of the meeting.
- 2) CONTRACTOR and STATE shall facilitate the meeting, and discuss and further define, at a minimum, the following:
 - (a) Effective project communication
 - (b) Project vision, background, purpose, and objectives
 - (c) Project governance structure, and project roles and responsibilities
 - (d) Approach to creating the Project Plan
 - (e) Initial risk assessment

c. Expectations of STATE:

- 1) STATE shall finalize agenda and send agenda to invitees.
- 2) STATE shall coordinate the logistics and co-facilitate the Kickoff Meeting.
- 3) STATE's Project Sponsor and project team members shall participate in the Kickoff Meeting.

d. Completion Date:

CONTRACTOR shall start work with STATE within five (5) working days after the signing of this Contract to schedule the Kickoff Meeting.

e. Acceptance Criteria:

For the acceptance of this deliverable to occur, the Kickoff Meeting results in:

- 1) Facilitation of Kickoff Meeting using a clearly defined agenda
- 2) An introduction of critical CONTRACTOR and STATE resources assigned to the project
- 3) Review of STATE's Project Charter to include project governance structure, roles and responsibilities, project purpose, objectives, and scope
- 4) Discussion of communications approach and structure
- 5) Discussion of known project risks and issues

2. DELIVERABLE 2: PROJECT PLAN

a. Description:

CONTRACTOR shall participate, contribute, and collaborate with STATE, led by STATE's Project Manager, to develop a baseline Project Plan. The Project Plan will include the project schedule.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall participate, contribute, and collaborate with STATE to provide requested content for the Project Plan. Typical sections CONTRACTOR may be asked to contribute to are as follows:
 - (a) Management plans to control cost, schedule, scope, and quality
 - (b) Governance structure for the project
 - (c) Roles and responsibilities of the project team
 - (d) Communication management
 - (e) Quality Management
 - (f) Risk, issue, and action item management plans
- 2) CONTRACTOR shall provide CONTRACTOR tasks and participate and collaborate with STATE on a detailed project schedule created in Microsoft Project. The project schedule will follow STATE best practices, consisting of:
 - (a) Project has appropriate start date
 - (b) Project has appropriate Work Breakdown Structure
 - (c) All project tasks have appropriate predecessors and successors, with the exception of summary tasks
 - (d) All project tasks are auto-scheduled using predecessors to drive the task dates (dates are not manually entered)
 - (e) Minimal use of constraints
 - (f) Both STATE and CONTRACTOR tasks are included
 - (g) Project tasks are broken down into timeframes that can be reasonably managed – STATE encourages a maximum task length of approximately 80 hours/two (2) weeks
 - (h) Project tasks have appropriate resources assigned with appropriate and reasonable allocation
 - (i) Schedule has appropriate working times and incorporates STATE and CONTRACTOR holidays and nonworking times
 - (j) Any additional items needed will be worked on collaboratively by the Parties.
- 3) CONTRACTOR shall provide written confirmation from an authorized individual confirming contents of the Project Plan.

c. Expectations of STATE:

- 1) STATE shall lead the project planning effort.
- 2) STATE's Project Manager shall be responsible for the Project Plan.
- 3) The Project Plan shall follow STATE template and best practices.
- 4) STATE's Project Manager shall incorporate STATE tasks into the project schedule.
- 5) STATE shall obtain written confirmation from an authorized individual at CONTRACTOR for the contents of the Project Management Plan.

d. Completion Date:

CONTRACTOR shall start work with STATE within five (5) working days after the signing of this Contract to create the Project Plan.

e. Acceptance Criteria:

- 1) For the acceptance of this deliverable to occur, CONTRACTOR shall provide requested content to STATE for the Project Plan regarding all services, tasks, and products delivered by CONTRACTOR.
- 2) CONTRACTOR and STATE agree upon the baselines scope, schedule, and management plans for the project.
- 3) The Project Plan shall adhere to the STATE template and STATE project management best practices.
- 4) For the acceptance of this deliverable to occur, approval must be obtained from STATE's Executive Steering Committee (ESC).

3. DELIVERABLE 3: BUSINESS DESIGN DOCUMENT (BDD)

a. Description:

CONTRACTOR to review, analyze, and confirm understanding of system functionality, business practices, reporting, security, interfaces, configurations, and customizations. CONTRACTOR will use the in-scope requirements from the NASPO Requirements Traceability Matrix (RTM) as the State requirements baseline. In addition, CONTRACTOR shall design any system customizations as outlined in the NASPO RTM and STATE's Request for Proposal to meet the STATE's requirements.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall lead the analysis and design effort.
- 2) CONTRACTOR shall demonstrate how system's core functionality meets the requirements as defined in the NASPO RTM and the STATE's Request for Proposal.
- 3) CONTRACTOR shall identify and document gaps between the system's out-of-the-box functionality and STATE's requirements, and business processes and practices.
- 4) CONTRACTOR shall identify any gaps that require system configuration or customization changes.
- 5) CONTRACTOR shall identify any gaps that require system customization beyond the Request for Proposal response.
- 6) CONTRACTOR shall develop a high-level conceptual design for any customizations.
- 7) CONTRACTOR shall outline the design decisions and development specifications for STATE approval.
- 8) CONTRACTOR shall collaborate with STATE to document agreed-upon changes to the system that may be needed as a result of the review and confirmed understanding.

c. Expectations of STATE:

- 1) STATE staff shall actively participate in work and analysis sessions.
- 2) STATE shall collaborate with CONTRACTOR to confirm requirements and gap analysis.
- 3) STATE shall actively participate in design review sessions.
- 4) STATE shall provide support and make any necessary design decisions.
- 5) STATE shall review and provide feedback to CONTRACTOR.

d. Acceptance Criteria:

For the acceptance of this deliverable to occur, the following criteria must be met:

- 1) RTM to be presented in a matrix that lists requirements and identifies which requirements can be met out-of-the-box, which need configuration, and which need customizations in accordance with the NASPO RTM and STATE's Request for Proposal response.
- 2) RTM matrix includes a descriptive statement on how CONTRACTOR will meet each requirement.
- 3) RTM matrix identifies which requirements that, through understanding and analysis, cannot be accomplished without additional efforts, including a recommended approach to resolve the gap and CONTRACTOR's level of effort.
- 4) Proposed system context and workflow to be accomplished with ANY customizations.

4. DELIVERABLE 4: TECHNICAL DESIGN DOCUMENT (TDD)

a. Description:

CONTRACTOR shall design the technical aspects of the system in alignment with the analysis effort outlined in the Business Design Document deliverable. In addition, CONTRACTOR shall design the interfaces from the system to STATE's applications, including any configurations or customizations required to support the integration of the interface with the systems.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall lead the technical design effort.
- 2) CONTRACTOR shall develop a high-level conceptual design, including static structures, dynamic behavior.
- 3) CONTRACTOR shall outline the technical design decisions and development specifications for STATE approval.
- 4) CONTRACTOR shall lead the interface design effort.
- 5) CONTRACTOR shall develop a high-level conceptual design for the interfaces.
- 6) CONTRACTOR shall collaborate with STATE to finalize design.

c. Expectations of STATE:

- 1) STATE shall actively participate in technical design review sessions.
- 2) STATE shall provide support and make any necessary technical design decisions.
- 3) STATE shall review conceptual designs and provide feedback and clarification as requested.
- 4) STATE shall provide technical resources and subject matter experts who will assist and collaborate with CONTRACTOR during the design process.
- 5) STATE shall review and provide feedback to CONTRACTOR.

d. Acceptance Criteria:

For the acceptance of this deliverable to occur, the Technical Design must include:

- 1) Proposed functional and non-functional goals, data model, external interfaces, deployment considerations; runtime requirements, third party components to be accomplished with the system.
- 2) Design documentation for the interfaces
- 3) Document detailing any customizations to support the integration between the systems

5. DELIVERABLE 5: DATA CONVERSION PLAN AND DESIGN (DATA MIGRATION STRATEGY AND DESIGN)

a. Description:

CONTRACTOR shall participate, contribute, and collaborate with STATE to create a Data Conversion Plan. The plan is intended to address the overall approach that will be followed for the data conversion effort and will be a subordinate plan to the Implementation Plan deliverable. The plan will define methodology, strategies, required competencies, tools, templates, quality standards, data cleansing, and data discrepancy resolution strategies. In addition, CONTRACTOR shall design the overall data conversion approach to convert data from the legacy systems.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall lead the data conversion planning effort.
- 2) CONTRACTOR shall create a Data Conversion Plan and Design that will outline the approach to convert the agreed-upon data by collaborating with and gathering input from STATE.
- 3) CONTRACTOR shall lead the data conversion design effort.
- 4) CONTRACTOR shall provide all necessary data conversion documentation to STATE.
- 5) CONTRACTOR shall provide example conversion files to STATE to assist STATE in generating successful data conversion files.
- 6) CONTRACTOR shall be responsible for the final product.

c. Expectations of STATE:

- 1) STATE shall actively participate in planning and design sessions.
- 2) STATE shall provide support and make any necessary decisions.
- 3) STATE shall review and provide feedback to CONTRACTOR.
- 4) STATE shall work with CONTRACTOR to develop approaches planned for STATE's data cleansing efforts.
- 5) STATE shall assist CONTRACTOR's review and design of data elements applicable to data conversion.
- 6) STATE shall provide necessary and relevant resources to make design decisions.

d. Acceptance Criteria:

For the acceptance of this deliverable to occur, the Data Conversion Plan and Design must include:

- 1) Data conversion methodologies and strategies to be used including a repeatable extract, transform, and load (ETL) process
- 2) Details regarding the tools and templates to be used
- 3) Outline of strategies and actions planned to resolve data discrepancies and mapping issues, which may include customizations and data cleansing
- 4) Outline of the testing approach and methodology, including defined success criteria and quality standards
- 5) Executive summary
- 6) Proposed system context and workflow to be accomplished with the customizations
- 7) Documentation of development and how the development meets the requirements outlined in the Data Conversion Plan / Data Migration Strategy deliverable

6. DELIVERABLE 6: SYSTEM CONFIGURATION (BUILD REVIEW)

a. Description:

CONTRACTOR shall configure the system according to the requirements established during the Validate (design) phase, and decisions made throughout the configuration effort.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall lead the configuration effort and demonstrate the configuration in two build review sessions (one for Solicitation Management and one for Contract Management).
- 2) CONTRACTOR shall confirm and reach configuration decisions in collaboration with STATE.
- 3) CONTRACTOR shall configure components in alignment with requirements and decisions confirmed or identified in the Business Design Document deliverable and demonstrate completed configurations and reporting capabilities to STATE.

c. Expectations of STATE:

- 1) STATE shall make necessary configuration decisions.
- 2) STATE shall provide requested information and documentation as needed to configure the system.

d. Acceptance Criteria:

For the acceptance of this deliverable to occur, the follow criteria must be met:

- 1) System configured according to the specifications and requirements documented in the Business Design Document deliverable, and according to the information provided by STATE
- 2) Successful demonstration of the configuration and reporting capabilities

7. DELIVERABLE 7: DATA CONVERSION AND VALIDATION

a. Description:

CONTRACTOR and STATE shall validate the data conversion effort by reviewing the data loaded into the system integration testing environment and user acceptance testing environment and making any fixes to the system or data conversion process to help ensure data transfers accurately and completely.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall initially validate the data conversion into the systems integration testing and user acceptance testing environments and resolve any issues prior to STATE data conversion validation efforts.
- 2) CONTRACTOR shall support STATE's effort to identify and resolve any issues with the data conversion prior to Go Live.

c. Expectations of STATE:

- 1) State shall provide data extracts with personally identifiable information (PII) removed.
- 2) STATE shall test the data conversion into the systems integration testing and user acceptance testing environments.
- 3) STATE shall identify, document, trouble-shoot, and work with CONTRACTOR to resolve any data conversion issues.

d. Acceptance Criteria:

For the acceptance of this deliverable to occur, the following criteria must be met:

- 1) Documentation of development and how the development meets the requirements outlined in the Data Conversion Plan and Design deliverable
- 2) Successful upload of accurate and complete data extract from the legacy systems to the systems integration testing and user acceptance testing environments
- 3) CONTRACTOR review of STATE-documented system integration testing and user acceptance testing issues and recommendations for file extract changes to remediate issues
- 4) Subsequent load(s) of STATE-provided revised data extracts to confirm resolution of issues, or documented alternatives to resolution

8. DELIVERABLE 8: INTERFACE DEVELOPMENT AND RELEASE

a. Description:

CONTRACTOR shall build and release the interfaces with STATE's applications, per the requirements defined during analysis and the Technical Design Document deliverable.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall complete development of the interfaces.
- 2) CONTRACTOR shall conduct thorough technical testing of the interfaces as identified in the Testing Management Plan.
- 3) CONTRACTOR shall resolve issues identified with the interfaces.
- 4) CONTRACTOR shall install and validate the interfaces in preparation for system integration testing and user acceptance testing.

c. Expectations of STATE:

- 1) STATE shall provide technical resources and an environment for testing of the interfaces.
- 2) STATE shall collaborate with CONTRACTOR to validate CONTRACTOR installed interfaces correctly.
- 3) STATE shall validate interfaces are ready for system integration testing and user acceptance testing.

d. Acceptance Criteria:

For the acceptance of this deliverable to occur, the following criteria must be met:

- 1) Documentation of development and how the development meets the requirements outlined in the Technical Design Document deliverable
- 2) Release of the interfaces to STATE's system integration testing and user acceptance testing environments
- 3) Completion of CONTRACTOR's testing effort and remediation of any testing failures

9. DELIVERABLE 9: TRAINING MANAGEMENT PLAN

a. Description:

CONTRACTOR shall create a Training Management Plan. The plan will address training approaches, courses to be delivered, course instructors, overall objectives and competencies, training schedule, evaluation, and required resources.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall lead the training planning effort.
- 2) CONTRACTOR shall create a Training Management Plan with STATE support.
- 3) CONTRACTOR shall conduct working session(s) with STATE to review and finalize the Training Management Plan prior to start of training.
- 4) CONTRACTOR shall coordinate with STATE to schedule all training activities.

c. Expectations of STATE:

- 1) STATE shall actively participate in planning sessions.
- 2) STATE shall provide support and make any necessary decisions.
- 3) STATE shall review and provide feedback to CONTRACTOR.
- 4) STATE will define training effectiveness criteria.

d. Acceptance Criteria:

For the acceptance of this deliverable to occur, the Training Management Plan must include:

- 1) Description of training session(s)
- 2) Identification of roles and responsibilities, intended audience, training objectives, and evaluation methods
- 3) Identification of agreed-upon high-level timing and approach for training
- 4) Executive summary

10. DELIVERABLE 10: TRAINING (TRAINING MATERIALS, TRAIN-THE-TRAINER)

a. Description:

CONTRACTOR to conduct train-the-trainer and administrator system training. The train-the-trainer training will focus on persons that will ultimately perform training for end users. The administrator training will focus on persons that will act as system administrators.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall provide up-to-date and accurate user manuals and any other training materials that STATE trainers can give to training participants and future STATE staff.

- 2) CONTRACTOR shall provide a training syllabus to STATE for review and feedback in advance of the training.
- 3) CONTRACTOR shall provide qualified instructors.
- 4) CONTRACTOR shall conduct training sessions at a location and time mutually agreed-upon with STATE.

c. Expectations of STATE:

- 1) STATE shall review and provide feedback on the training syllabus to verify that desired areas are part of the training.
- 2) STATE shall make assigned trainees available for the scheduled training sessions.
- 3) STATE shall provide training facilities and equipment.

d. Acceptance Criteria:

For the acceptance of this deliverable to occur, the following criteria must be met:

- 1) Delivery of user manuals and training materials
- 2) Delivery of train-the-trainer and administrator training in accordance with the syllabus
- 3) STATE survey concludes that CONTRACTOR training was effective

11. DELIVERABLE 11: TEST MANAGEMENT PLAN, SYSTEM INTEGRATION TESTING (SIT) TEST CASES

a. Description:

CONTRACTOR shall create a Testing Management Plan that outlines the overall testing approach for CONTRACTOR and STATE testing.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall lead the test planning effort.
- 2) CONTRACTOR shall create a Testing Management Plan with STATE support.
- 3) CONTRACTOR shall conduct working session(s) with STATE to review and finalize the Test Management Plan prior to start of testing.
- 4) CONTRACTOR shall coordinate with STATE to schedule all testing activities.
- 5) CONTRACTOR shall provide tools, existing test cases, user acceptance test case templates, and reporting formats for testing.
- 6) CONTRACTOR shall train STATE to conduct user acceptance tests and report results.
- 7) CONTRACTOR shall participate, contribute, and collaborate with STATE in development of user acceptance test cases.

c. Expectations of STATE:

- 1) STATE shall actively participate in planning sessions.
- 2) STATE shall provide support and make any necessary decisions.
- 3) STATE shall review and provide feedback to CONTRACTOR.
- 4) STATE shall be responsible for creating the test scripts for performance and user acceptance testing, with support and guidance of CONTRACTOR.
- 5) STATE shall conduct application performance testing on STATE environment(s).

- 6) STATE shall conduct user acceptance testing.
- 7) STATE shall assign a resource as a testing coordinator to facilitate STATE's testing activities.

d. Acceptance Criteria:

For the acceptance of this deliverable to occur, the Testing Management Plan must include:

- 1) Testing strategy containing:
 - a. Agreed-upon high-level testing schedule in accordance with the project schedule
 - b. Testing assignments and responsibilities
 - c. Test script creation practices including detail regarding system environments used during testing
 - d. Method for reporting testing issues and tracking of remediation
 - e. Statistical reporting strategy for issues and fixes
- 2) CONTRACTOR support
- 3) Outline of the approaches and strategies for testing the requirements, federal and state reporting, interfaces, data conversion, security, and performance
- 4) User acceptance test case template
- 5) Testing issues reporting approach containing:
 - a. Template for reporting issues
 - b. Prioritization and severity methodology, including a Service Level Agreement for CONTRACTOR support and fixes
 - c. Resolution approach
- 6) Documentation of what priority and severity issues must be fixed before the system moves into production
- 7) Description of resources for testing, including numbers of testers and necessary skill-sets
- 8) Executive summary

12. DELIVERABLE 12: USER ACCEPTANCE TESTING

a. Description:

CONTRACTOR shall support STATE testing efforts, make fixes, and remediate testing issues during STATE's user acceptance testing and performance testing efforts.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall test code against product specifications and agreed-upon requirements. CONTRACTOR shall demonstrate system functionality prior to commencement of acceptance testing by STATE.
- 2) CONTRACTOR shall review and consult on STATE's test scripts to help ensure scripts are accurate and thorough.
- 3) CONTRACTOR shall provide template to document testing results.
- 4) CONTRACTOR shall provide testing support to identify, troubleshoot, and resolve issues.

- 5) CONTRACTOR shall provide technical assistance with testing, verification, and classification of issues.
- 6) CONTRACTOR shall correct validated issues based on priorities and severities defined by STATE.
- 7) CONTRACTOR shall work with STATE to ensure the development environment is correctly copied into the testing environment and all users have appropriate access.

c. Expectations of STATE:

- 1) STATE shall lead the testing effort and issue resolution process.
- 2) STATE shall ensure STATE testing occurs according to the project schedule, and test results and resolutions are documented.
- 3) STATE shall create test scripts according to STATE-defined workflows and processes.
- 4) STATE shall provide adequate and knowledgeable system users to participate in testing.
- 5) STATE shall perform user acceptance testing.
- 6) STATE shall perform application performance testing.
- 7) STATE shall document any identified issues, assign priority and severity, and provide results to CONTRACTOR for troubleshooting.

d. Acceptance Criteria:

For the acceptance of this deliverable to occur, the following criteria must be met:

- 1) Completion of system testing and system functionality demonstration by CONTRACTOR
- 2) Completion of user acceptance testing and performance testing support by CONTRACTOR
- 3) Testing issues are resolved
- 4) Testing approach and execution is in alignment with the Testing Management Plan

13. DELIVERABLE 13: IMPLEMENTATION AND TRANSITION PLAN (DEPLOYMENT PLAN, GO-LIVE SUPPORT PLAN)

a. Description:

CONTRACTOR shall collaborate with STATE to create an Implementation and Transition Plan to manage the implementation of the product and transition the product and work from the project structure to maintenance. The transition plan shall include detailed system documentation.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall lead the planning effort.
- 2) CONTRACTOR shall create an Implementation and Transition plan with STATE support
- 3) CONTRACTOR shall conduct working session(s) with STATE to review and finalize the Implementation and Transition Plan prior to any implementation or transition work.

c. Expectations of STATE:

- 1) STATE shall actively participate in planning sessions.
- 2) STATE shall provide support and make any necessary decisions.
- 3) STATE shall review and provide feedback to CONTRACTOR.

d. Acceptance Criteria:

For acceptance of this deliverable to occur, the Implementation and Transition Plan must include:

- 1) Implementation strategy
- 2) Implementation resources and tasks
- 3) Implementation entry and exit criteria, and go/no go decision requirements
- 4) Implementation contingency plan
- 5) Business migration strategy
- 6) Transition resources and tasks
- 7) CONTRACTOR processes for moving product into maintenance and providing ongoing support
- 8) Executive summary

14. DELIVERABLE 14: IMPLEMENTATION

a. Description:

CONTRACTOR shall support implementation of the final system.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall participate, contribute, and collaborate with STATE for implementation preparations.
- 2) CONTRACTOR shall make any fixes required in a timely manner to implement the system as approved in the Acceptance Testing deliverable.
- 3) CONTRACTOR shall provide technical support to STATE as mutually agreed upon for implementation efforts.

c. Expectations of STATE:

- 1) STATE shall participate, contribute, and collaborate with CONTRACTOR for implementation preparations.
- 2) STATE shall provide the production environment.
- 3) STATE shall monitor the implementation and notify CONTRACTOR of any issues.

d. Acceptance Criteria:

For the acceptance of this deliverable to occur, the following criteria must be met:

- 1) CONTRACTOR support during implementation
- 2) System go-live with no unresolved medium, high or critical issues

15. DELIVERABLE 15: POST-IMPLEMENTATION HYPERCARE SUPPORT REPORTING AND POST-IMPLEMENTATION REPORT

a. Description:

CONTRACTOR shall provide a weekly post-implementation hypercare status report and meeting, unless otherwise agreed upon by both Parties, during the post-implementation hypercare support period. In addition, CONTRACTOR shall participate, contribute, and collaborate with STATE, led by STATE's Project Manager, to provide content for the Post-Implementation Report.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall provide a weekly post-implementation hypercare status report.
- 2) CONTRACTOR shall have project team members participate in the Post-Implementation Survey.
- 3) CONTRACTOR shall participate, contribute, and collaborate with STATE, led by STATE's Project Manager, to develop a Post-Implementation Report that provides, at a minimum, the following:
 - a. Key project metrics related to schedule, cost, scope, and quality
 - b. Business metrics related to project objectives and measurements as defined in the Project Charter
 - c. Comprehensive lessons learned valuable to future projects
 - d. Success stories from the project
 - e. Results of the Post-Implementation Survey

c. Expectations of STATE:

- 1) STATE's Project Manager shall be responsible for the final Post-Implementation Report.
- 2) STATE's Project Manager shall design and conduct the Post-Implementation Survey.
- 3) The Post-Implementation Report shall follow STATE template.

d. Acceptance Criteria:

- 1) For the acceptance of this deliverable to occur, CONTRACTOR shall provide a weekly post-implementation hypercare status report during the post-implementation hypercare support period.
- 2) For the acceptance of this deliverable to occur, CONTRACTOR shall participate in the Post-Implementation Survey and provide content to STATE for the Post-Implementation Report regarding all services, tasks, and products delivered by CONTRACTOR:
 - a. Key project metrics related to schedule, cost, scope, and quality
 - b. Business metrics related to project objectives and measurements as defined in the Project Charter
 - c. Lessons learned from the project
 - d. Success stories from the project
- 3) For the acceptance of this deliverable to occur, approval must be obtained from STATE's Executive Steering Committee (ESC).

16. DELIVERABLE 16: PROJECT CLOSEOUT MEETING

a. Description:

CONTRACTOR shall coordinate with STATE to schedule a Closeout Meeting in Bismarck, ND and virtually via STATE's Microsoft Teams site with the core project team and interested stakeholders. STATE's Project Manager shall lead the meeting, though CONTRACTOR may be asked to present on certain agenda items. The Closeout Meeting must present a completed Post-Implementation Report and facilitate discussion of the project closeout.

b. Expectations of CONTRACTOR:

- 1) CONTRACTOR shall provide content to STATE for detailed agenda in advance of the meeting.
- 2) CONTRACTOR shall provide STATE any required information for STATE's Project Manager to present the Post-Implementation Report.
- 3) CONTRACTOR shall expand upon the success stories and lessons learned captured from the Post-Implementation Survey, and discuss details related to the lessons learned to provide comprehensive information to future projects.

c. Expectations of STATE:

- 1) STATE shall finalize and send agenda to invitees.
- 2) STATE shall coordinate logistics and facilitate the Closeout Meeting.
- 3) STATE shall expand upon the success stories and lessons learned captured from the Post-Implementation Survey and discuss and further document details related to the lessons learned to provide comprehensive information to future projects.

d. Acceptance Criteria:

For the acceptance of this deliverable to occur, the Closeout Meeting results in:

- 1) Completion and confirmation of the Post-Implementation Report deliverable
- 2) Comprehensive lessons learned and success stories valuable to future projects

17. DELIVERABLE 17: PROJECT MANAGEMENT SERVICES

a. Description:

CONTRACTOR shall provide Project Management Services, billed monthly up to eleven (11) months.

b. Acceptance Criteria:

For the acceptance of this deliverable to occur and monthly payments made, the following criteria must be met:

- a. CONTRACTOR Project Manager adheres to PERSONNEL section of Exhibit A.
- b. CONTRACTOR Project Manager provides progress reports that allows STATE Project Manager to maintain required team, executive, and legislative status reports.
- c. CONTRACTOR Project Manager provides progress reports on schedule tasks that are accurate and directly relate to the baseline schedule to allow efficient updates to the schedule by STATE's Project Manager.
- d. CONTRACTOR Project Manager is responsive to STATE questions, direction, and provides required support to STATE Project Manager.
- e. CONTRACTOR Project Manager effectively leads members of CONTRACTOR team to produce project deliverables and accomplish project tasks as defined in the project schedule.
- f. CONTRACTOR Project Manager follows processes and structure laid out in the Project Plan.

18. DELIVERABLE 18: FINAL ACCEPTANCE

a. Description:

Upon completion of all deliverables, and upon mutual agreement of STATE and CONTRACTOR, the project work will be considered complete and retainage paid to contractor.

b. Expectations of CONTRACTOR:

CONTRACTOR shall address any outstanding incident severities of medium, high and critical, completion of deliverables, and adheres to the Ivalua Requirements for Successful Implementation as outlined in Exhibit D.

c. Expectations of STATE:

STATE shall alert CONTRACTOR to any outstanding issues.

d. Acceptance Criteria:

For the acceptance of this deliverable to occur, the following criteria must be met:

- 1) No outstanding or unfinished deliverables
- 2) No outstanding project or system issues
- 3) No outstanding requirements, including incident severities medium, high and critical, to complete on the Ivalua Requirements for Successful Implementation referenced in Exhibit D.

EXHIBIT C – Compensation Details

1. PROJECT DELIVERABLE PAYMENT SCHEDULE:

The following table defines all payment points for the enterprise Sourcing & Contract Workstreams.

#	Deliverable	Deliverable Value	To be Retained (10%)	Invoice
1.	Project Kickoff Meeting	\$28,341.00	\$2,834.10	\$25,506.90
2.	Project Plan	\$75,023.00	\$7,502.30	\$67,520.70
3.	Business Design Document	\$105,387.00	\$10,538.70	\$94,848.30
4.	Technical Design Document	\$80,300.10	\$8,030.01	\$72,270.09
5.	Data Conversion Plan and Design (Data Migration Strategy and Design)	\$65,018.40	\$6,501.84	\$58,516.56
6.	System Configuration (Build Review)	\$90,000.00	\$9,000.00	\$81,000.00
7.	Data Conversion and Validation	\$40,391.10	\$4,039.11	\$36,351.99
8.	Interface Development and Release	\$41,705.00	\$4,170.50	\$37,534.50
9.	Training Management Plan	\$113,364.00	\$11,336.40	\$102,027.60
10.	Training (Training Materials, Train-the-Trainer)	\$131,036.80	\$13,103.68	\$117,933.12
11.	Test Management Plan (Test Strategy, SIT Test Cases)	\$85,345.60	\$8,534.56	\$76,811.04
12.	User Acceptance Testing	\$56,682.00	\$5,668.20	\$51,013.80
13.	Implementation and Transition Plan (Deployment Plan, Go-Live Support Plan)	\$59,354.80	\$5,935.48	\$53,419.32
14.	Implementation	\$34,009.20	\$3,400.92	\$30,608.28
15.	Post Implementation Hypercare Support Reporting and Post Implementation Report	\$54,470.00	\$5,447.00	\$49,023.00
16.	Project Closeout Meeting	\$20,000.00	\$2,000.00	\$18,000.00
17.	Project Management Services			
17.1	Monthly Project Management Services (Month 1: August 2024)	\$20,455.00	\$2,045.50	\$18,409.50
17.2	Monthly Project Management Services (Month 2: September 2024)	\$20,455.00	\$2,045.50	\$18,409.50
17.3	Monthly Project Management Services (Month 3: October 2024)	\$20,455.00	\$2,045.50	\$18,409.50
17.4	Monthly Project Management Services (Month 4: November 2024)	\$20,455.00	\$2,045.50	\$18,409.50
17.5	Monthly Project Management Services (Month 5: December 2024)	\$20,455.00	\$2,045.50	\$18,409.50
17.6	Monthly Project Management Services (Month 6: January 2025)	\$20,455.00	\$2,045.50	\$18,409.50
17.7	Monthly Project Management Services (Month 7: February 2025)	\$20,455.00	\$2,045.50	\$18,409.50
17.8	Monthly Project Management Services (Month 8: March 2025)	\$20,455.00	\$2,045.50	\$18,409.50
17.9	Monthly Project Management Services (Month 9: April 2025)	\$20,455.00	\$2,045.50	\$18,409.50

#	Deliverable	Deliverable Value	To be Retained (10%)	Invoice
17.10	Monthly Project Management Services (Month 10: May 2025)	\$20,455.00	\$2,045.50	\$18,409.50
17.11	Monthly Project Management Services (Month 11: June 2025)	\$20,455.00	\$2,045.50	\$18,409.50
18.	Final Acceptance (Payout of Retainage)	\$130,543.30	\$0	\$130,543.30
Project Deliverable Total				\$1,305,433.00

2. VALUE-ADD ITEMS

Item/Feature	Unit	Amount
Hourly professional services rate for additional support during implementation and post go-live	Per Hour	\$250.00
JIRA Test Management Tool (for use during project execution)	35 Licenses	\$0

3. FUTURE WORKSTREAMS

Initial Costs	Frequency of Cost	eMarketplace / Need to Pay	Requisition	Invoicing	Data Analytics / Reporting	Issues Management, Collab Plans, Performance Eval.	Total
Implementation Costs	One-Time Cost	\$1,150,000.00	Incl. with eMarketplace	\$250,000.00	\$150,000.00	\$200,000.00	\$1,750,000.00
Other - Describe and add rows as needed	One-Time Cost						
TOTAL INITIAL COSTS**		\$ 1,150,000.00	\$ -	\$250,000.00	\$150,000.00	\$200,000.00	\$1,750,000.00
Value Added Features		eMarketplace / Need to Pay	Requisition	Invoicing	Data Analytics / Reporting	Issues Management, Collab Plans, Performance Eval.	
Hourly professional services rates if STATE should need any additional support during implementation and post go-live		\$265/Hr					
Optional: Localization Services (20 Agencies per Wave; 12 Weeks / Wave)		\$325,000 per Wave					

4. HHS NEEDS

One Time Deliverable Costs	Quantity	Price per Unit	Extension
HHS - Project Kick (Sourcing, Contract Mgmt, Invoicing, eForms, Reporting, Integrations) - assumes offshore resources are permissible)	1	\$20,491.00	\$20,491.00
HHS - Integrated Project Plan	1	\$26,789.00	\$26,789.00
HHS - Business Design Document	1	\$138,834.00	\$138,834.00
HHS - Technical Design Document	1	\$127,890.00	\$127,890.00
HHS - Data Migration Strategy (covered with enterprise)	1	\$0.00	\$0.00
HHS - Test Strategy	1	\$52,435.00	\$52,435.00
HHS - SIT Test Cases	1	\$80,961.40	\$80,961.40
HHS - Training Materials	1	\$91,269.54	\$91,269.54
HHS - Testing Results	1	\$36,763.93	\$36,763.93
HHS - Deployment Plan	1	\$39,875.60	\$39,875.60
HHS - Train-The-Trainer	1	\$90,643.00	\$90,643.00
HHS - Post Go-Live Support Plan	1	\$32,190.65	\$32,190.65
HHS - Post Implementation Hypercare Support Reporting	1	\$44,470.00	\$44,470.00
HHS - Monthly Project Management Services	9	\$20,455.00	\$184,095.00
Total Deliverables Cost			\$966,708.12

Value-Added Item/Feature	Unit	Amount
Hourly professional services rate for additional support during implementation and post go-live	Per Hour	\$265.00

EXHIBIT D - REQUIREMENTS FOR SUCCESSFUL IMPLEMENTATION

These requirements apply to both the initial implementation by Partner and to any subsequent configurations made post “go live” by or on behalf of Customer.

1. Ivalua Customer Support Extranet (“CSE”):

CSE is the mandatory tool for managing configuration specifications, their versioning, and deliveries. Its primary purpose is to enable comprehensive audit trails and establish a reliable foundation for the ongoing maintenance of the Cloud Service. It is the responsibility of the Customer to ensure that all personnel acting on its behalf input configuration specifications and document relevant use cases within CSE.

2. Ivalua Academy Certifications:

To engage in any configuration of the Cloud Service, individuals must possess a Level 2 (L2) certification for general functional administration, and a Level 3 (L3) certification specific to the configuration of modules and integrations. The L3 certification must be directly related to the module being configured (e.g., L3 S2C certification for those configuring the Sourcing module). In addition, individuals involved in the creation and management of configuration deliveries, must obtain the Project Release Manager (PRM) certification. It is required that at least two individuals, who are involved in the initial implementation, obtain the PRM certification.

3. Environment Management:

All configurations must be done in the development environment and follow the delivery & test processes made available to Customer via CSE. Configurations in production or in test environments are not authorized.

4. Design:

Design documentation is mandatory before “go live”, and must encompass all Customer-specific business scenarios, detailing the approach for addressing and configuring these scenarios within the application. The design documentation must be updated and re-delivered to Ivalua upon conclusion of Hypercare (as defined below under Section 9).

5. Major Release Upgrades & Minor Release Updates:

5.1 Upgrades During Customer’s Initial Implementation. If prior to the initial “go live” date of Customer’s production environment Ivalua makes a new major product release generally available to its customers, Ivalua will notify Customer (and the Partner if applicable) and upgrade Customer’s environment to the latest version. The implementation project will proceed as per the applicable agreement with the Partner on the latest upgraded version based on the contracted functionality and scope, and any new features or functionality made available as part of the Upgrade are out of scope, unless the parties amend their agreement.

5.2 Minor Release Updates. Throughout the initial implementation, minor version updates are applied automatically, transitioning to manual updates post-User Acceptance Testing (UAT). Prior to the conclusion of Hypercare (as defined below under Section 9), the production environment must be updated to the most recent minor version, or be one month behind the latest minor version.

6. Security and Performance Compliance:

Personnel performing configurations on behalf of Customer are required to adhere to Ivalua's Secure Configuration Guidelines, which are accessible to Customer via CSE.

7. Steering Committee:

Ivalua will assign a Project Director who will be allowed to participate in the monthly Project steering committee meetings with Partner or, alternatively, engage in a monthly meeting with Customer's executive leadership.

8. Delivery to Production Protocols:

8.1 Production Delivery. All production deliveries shall only proceed upon receipt of a formal written approval from the Customer in CSE.

8.2 Quality Control Center. Prior to the initiation of any production phase, Customer is responsible to ensure that any blocking controls identified within the Quality Control Center, as provided by Ivalua in the CSE, are resolved in order to ensure compliance and readiness for production deployment.

9. Hypercare:

"Hypercare" means a period after each "go-live" during which the application is stabilized. During Hypercare the Partner remains responsible for Defect correction.

9.1 Transition from Partner to Ivalua. Prior to the formal release of Partner and the subsequent handover of the application to Ivalua's maintenance team at the conclusion of Hypercare, the application must demonstrate proven stability and a cleared Defect backlog. This entails sufficient utilization in the production environment to ensure stability, with no open critical or major defects. In the case of minor defects, the Customer has the option to either mandate the Partner to resolve these issues prior to concluding Hypercare, or to consent to the transfer of these minor Defects to Ivalua's maintenance team.

9.2 Quality Control Center. Before the conclusion of Hypercare, Ivalua requires that (1) all blocking controls must be resolved, and (2) any warnings must either be acknowledged and accepted by Customer as-is or resolved.

9.3 Acceptance. Customer shall sign a final acceptance form with the Partner, affirming the application's stability, the resolution or acceptable management of Defects, and the satisfactory completion of all work by the Partner.

KPMG - State of ND Participating Addendum & Exhibit

Final Audit Report

2024-05-23

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By:	Tricia Opp (topp@nd.gov)
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