

**SERVICE CONTRACT
BETWEEN
WASHINGTON STATE
OFFICE OF THE SECRETARY OF STATE,
ELECTIONS DIVISION,
AND
QUEST INFORMATION SYSTEMS, INC.**

This Service Contract (this "Contract") is made and entered into by and between the state of Washington, Office of the Secretary of State, Elections Division, P.O. Box 40229, Olympia, Washington 98504-0229, ("OSOS") and Quest Information Systems, Inc., 8720 Castle Creek Pkwy E SR, Suite 231, Indianapolis, IN 46250-4315, ("Contractor") for the express purposes set forth in the following provisions of this Contract.

RECITALS

The state of Washington, acting by and through the Office of the Secretary of State, issued a Request for Proposal (RFP) dated November 3, 2014, (Exhibit E), for the purpose of analyzing Washington State, state-wide elections business processes for identifying opportunities for improvement/waste elimination and isolating desired-state business requirements for a modernized state-wide elections solution.

Quest Information Systems, Inc. submitted a timely Response to OSOS's RFP 14-13 (Exhibit D).

OSOS evaluated all properly submitted Responses to the above-referenced RFP and has identified Quest Information Systems, Inc. as the apparently successful Contractor.

OSOS has determined that entering into a Contract with Quest Information Systems, Inc. will meet OSOS's needs and will be in OSOS's best interest.

NOW THEREFORE, OSOS awards to Quest Information Systems, Inc. this Service Contract, in consideration of the terms and conditions contained herein, or attached and incorporated and made a part hereof, OSOS and Contractor mutually agree as follows:

1. STATEMENT OF WORK; GENERAL TERMS AND CONDITIONS

The Contractor shall furnish the necessary personnel, equipment, material and/or service(s) and otherwise do all things necessary for or incidental to the performance of work set forth in the Statement of Work (attached hereto and incorporated herein as Exhibit B).

For the sake of clarity and since the Contractor will be working closely with counties throughout the state, the project will be managed, run and overseen by OSOS by the Project Manager identified in Section 5.

The General Terms and Conditions (attached hereto and incorporated herein as Exhibit A) govern the work to be performed under this Contract, the nature of the relationship between OSOS and Contractor, and specific obligations of both parties.

2. PERIOD OF PERFORMANCE

The period of performance (the "Contract Term") under this Contract will be from February 27, 2015 or date of execution, whichever is later (the "Effective Date"), through August 27, 2015.

3. COMPENSATION AND PAYMENT

Funding for this Contract is provided from through the Help America Vote Act (HAVA), Public Law 107-252, and H.R. 3295.

A. Amount of Compensation. OSOS shall pay an amount not to exceed \$296,536 for the performance of all things necessary for or incidental to the performance of work as set forth in the Statement of Work. Contractor's compensation for services rendered hereunder shall be based on the following rates or in accordance with the following terms:

Milestone Compensation Table		
Deliverable	Target Due Date*	Milestone Payment
1. Project Plan Work Package: Project Plan Package (MS Project Plan, Issue, Risk, and Communication Plan)	3/13/2015	\$20,000
2. Initial Requirements Documentation: Initial Requirements Interview schedule, MS plan update	3/27/2015	\$31,000
3. Current State – Business Process Documentation & Review Requirements Register Requirement Specifications and Process Flows	5/18/2015	\$140,000
4. Future State – Business Process Documentation & Review Requirements Register Requirement Specifications and Process Flows (with notable needs and issues)	7/3/2015	\$100,536
5. Final Delivery & Presentation Final Requirements Register Conceptual Overview & Process Summary Projected Project Plan & Budget Estimates Presentation of Findings & Recommendations	8/10/2015	\$5,000
Maximum Compensation for This Contract		\$296,536

*Target dates may be modified by the Deliverable 1 Project Plan.

B. Billing Procedures.

OSOS shall pay the Contractor upon completion of deliverables as set forth below:

OSOS shall pay 80% of the budgeted cost of each completed deliverable upon acceptance by OSOS. The remaining amount due shall be payable upon completion and acceptance of all work and the final deliverable.

Contractor shall document the formal deliverables that will be reviewed, commented on, and approved by OSOS:

- Deliverables shall be submitted to OSOS' Project Manager in outline form for discussion of the scope, analytical methods, and organization.
- After OSOS accepts the outline, the Contractor shall produce a draft for submission to OSOS.
- OSOS will advise Contractor of any errors or concerns before Contractor completes the final deliverable.
- Contractor shall produce a final version of each deliverable that addresses OSOS's feedback.

Upon completion of the deliverables, the Contractor shall submit an invoice to the OSOS Billing Contact (as identified in Section 5 below) not more often than monthly.

Invoices shall be submitted for expenses on the following annual schedule:

For expenses	Submit by
From October 1 through June 30	July 31
From July 1 through September 30	October 31

The Contract number S-4916 must be referenced on the invoice in order for the invoice to be processed. Payment for approved and completed activity will be made by warrant or account transfer by OSOS within 30 calendar days of receipt of the claim.

The invoices shall describe and document to OSOS's satisfaction a description of the work performed, the progress of the project, and fees.

Payment shall be considered timely if made by OSOS within thirty (30) days after receipt of properly completed invoices. Payment shall be sent to the address designated by Contractor.

OSOS may, in its sole discretion, terminate this Contract or withhold payments claimed by Contractor for services rendered if Contractor fails to satisfactorily comply with any terms or conditions of this Contract.

No payments in advance or in anticipation of services or supplies to be provided under this Contract shall be made by OSOS.

4. CERTIFICATE OF DEBARMENT AND SUSPENSION

Contractor shall complete, sign and submit the Certificate of Debarment and Suspension (attached and incorporated hereto as Exhibit C) to OSOS prior to the Effective Date.

5. CONTRACT MANAGEMENT

One individual shall be the key party responsible for the conduct of the Contract and is identified in the box below. The Project Team Structure/Internal Controls concept for the Contractor is as follows:

The Contractor project team will be led by the Service Delivery Manager with strong support of the Project Manager. The Service Delivery Manager will oversee all studies and maintain continuity across the Subject Areas and keep the focus on common goals with the assistance of the Executive Sponsor. Each Subject Area analysis will be led by a Facilitator (generally the

Service Delivery Manager), Business Analyst and a Subject Matter Expert who will be heavily involved to lend their expertise and deep perspective. The Project Manager will track all team tasks, assignment, deliverables and status reports, contract management, and is responsible for the organization and management of material posted to the project portal.

Steve McNear, Executive Sponsor

Sean Fahey, Service Delivery Manager

Jim Stewart, Project Manager

Subject Area – Team A

Wendi Mott, Voter Registration Subject Matter Expert

Rick Petrecca*, Business Analyst/Technical Writer

Subject Area – Team B

Kelly Sprague, Voter Registration Subject Matter Expert

Kristin Arabally, Business Analyst/Technical Writer

Subject Area – Team C

James Darragh, Voter Registration Subject Matter Expert

Matt Hazard, Business Analyst/Technical Writer

Subject Area – Technical Team

Mike Cameron, Technical Architect

Cory Biggs, Senior Software Developer

Kevin Reid, Quest FirstTuesday® DBA

* Rick Petrecca has replaced Darrin Snider who was in the Contractor proposal. Rick Petrecca’s profile is hereby added to the proposal.

The Service Delivery Manager and Project Manager for each of the parties identified below shall be the contact person for communications regarding the performance of this Contract. Invoices shall be sent to the OSOS Billing Contact identified below.

<u>Service Delivery Manager for Contractor is:</u>	<u>Project Manager for OSOS is:</u>
<p><u>Sean Fahey</u> Quest Information Systems, Inc. 8720 Castle Creek Pkwy E DR Suite 231 Indianapolis, IN 46250-4315 Phone: (317) 537-0142 E-mail address: sfahey@questis.com</p>	<p><u>Stephanie Goebel</u> State of Washington Office of the Secretary of State 520 Union Ave SE Olympia, WA 98504 Phone: (360) 725-5797 E-mail address: stephanie.goebel@sos.wa.gov</p>

<u>Billing Contact for OSOS is:</u>
<p><u>Bea Huynh-Tien</u> State of Washington Office of the Secretary of State Financial Services P.O. Box 40224 Olympia, WA 98504-0224 Phone: (360) 704-5267 E-mail address: bea.huynhtien@sos.wa.gov</p>

6. INSURANCE

Contractor shall provide a program of self insurance or the following insurance coverage as set out in this Section 6. The intent of the required insurance is to protect the state of Washington ("State"), its elected and appointed officials, agents and employees should there be any claims, suits, actions, costs, damages or expenses arising from any negligent or intentional act or omission of Contractor or subcontractor, or agents of either, while performing under the terms of this Contract. By requiring insurance herein, State does not represent that coverage and limits will be adequate to protect Contractor, and such coverage and limits shall not limit Contractor's liability under the indemnities and reimbursements granted to the State in this Contract.

Contractor shall, at all times during the term of the Contract at its own cost and expense buy and maintain insurance of the types and amounts listed below. OSOS shall be provided written notice before cancellation or non-renewal of any insurance referred to therein. Failure to buy and maintain the required insurance may result in the termination of the Contract at OSOS option.

COMMERCIAL GENERAL LIABILITY (CGL) AND EMPLOYERS LIABILITY INSURANCE

Contractor shall maintain general liability (CGL) insurance, and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000 per each occurrence. If such CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the "each occurrence" limit. CGL insurance shall have products-completed operations aggregate limit of at least two times the "each occurrence" limit.

CGL insurance shall be written on ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage). All insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and contain separation of insureds (cross liability) condition.

Contractor shall buy employers liability insurance, and, if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

EMPLOYERS LIABILITY (STOP GAP) INSURANCE

Contractor shall buy employers liability insurance, and, if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

WORKERS COMPENSATION INSURANCE

Contractor shall comply with all state of Washington workers compensation statutes and regulations. Workers compensation coverage shall be provided for all employees of Contractor and employees of any subcontractor. Coverage shall include bodily injury (including death) by accident or disease, which arises out of or in connection with the performance of this Contract. Except as prohibited by law, Contractor waives all rights of subrogation against State for recovery of damages to the extent they are covered by workers compensation, employers liability, commercial general liability or commercial umbrella liability insurance.

If Contractor or subcontractor fails to comply with all state of Washington workers' compensation statutes and regulations and State incurs fines or is required by law to provide benefits to or obtain coverage for such employees, Contractor shall indemnify State. Indemnity shall include all fines, payment of benefits to Contractor or subcontractor employees, or their heirs or legal representatives, and the cost of effecting coverage on behalf of such employees. Any amount owed to State by Contractor pursuant to the indemnity agreement may be deducted from any payments owed by State to Contractor for performance of this Contract.

BUSINESS AUTO POLICY (BAP)

In the event that services delivered pursuant to this Contract involve the use of vehicles, either owned or unowned by Contractor, automobile liability insurance shall be required. The minimum limit for automobile liability is:

Contractor shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than \$1,000,000 per accident using a Combined Single Limit for bodily injury and property damage. Such insurance shall cover liability arising out of "Any Auto." Contractor waives all rights of subrogation against State for recovery of damages to the extent they are covered.

Business auto coverage shall be written on ISO form CA 00 01, or substitute liability form providing equivalent coverage. If necessary the policy shall be endorsed to provide contractual liability coverage and cover a "covered pollution cost or expense" as provided in the 1990 or later editions of CA 00 01.

Contractor waives all rights against State for the recovery of damages to the extent they are covered by business auto liability or commercial umbrella liability insurance.

Contractor shall include all subcontractors as insureds under all required insurance policies, or shall furnish separate certificates of insurance and endorsements for each subcontractor. Subcontractor(s) must comply fully with all insurance requirements stated herein. Failure of subcontractor(s) to comply with insurance requirements does not limit Contractor's liability or responsibility.

The insurance required shall be issued by an insurance company/ies authorized to do business within the state of Washington, and shall name the Office of the Secretary of State, State of Washington, its agents and employees as additional insureds on all general liability, umbrella, excess, and property insurance policies. All policies shall be primary to any other valid and collectable insurance. The Contractor shall instruct its insurers to give the Purchaser 30 days advance notice of any insurance cancellation.

The Contractor shall submit to OSOS, within 7 days of the Contract's Effective Date, a certificate of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements specified in the Contract, or a complete description of the self insurance program and a financial statement showing the status of the self insurance fund.

7. ASSIGNMENT AND REPLACEMENT OF CONTRACT STAFF

Neither this Contract, nor any claim arising under this Contract, shall be transferred or assigned by the Contractor without prior written consent of OSOS.

The Contractor is responsible to ensure that the same Contract staff referenced in Exhibit D, is committed and will be available until the completion of this Contract. Any proposal by the Contractor for changes, replacement, or substitution of staff during the duration of this contract must be submitted to the OSOS in writing. The OSOS Project Manager shall have the sole discretion to accept or reject such proposal but such approval will not be unreasonably withheld. In no event shall such changes in staff take effect without the OSOS Project Manager's written consent.

In the event the Contractor proposes replacement in contract staff, as a condition of accepting such changes, the OSOS may require the Contractor to compensate the OSOS, in the form of gratuitous services to the OSOS, to offset the training and administrative costs incurred by the OSOS in association with such replacement, an amount not to exceed \$250 per working day for up to 20 working days, the total amount not to exceed \$5,000 per replacement of Contract staff.

8. SUBCONTRACTING

Contractor stated in the response to the RFP that a subcontractor relationship existed with GCR, Inc. and this Contract recognizes this relationship regardless of ownership interests between the parties.

In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to OSOS for any breach in the performance of the Contractor's duties. For purposes of this Contract, the Contractor agrees that GCR shall be held to be agent of the Contractor. The Contractor shall be liable for any loss or damage to OSOS, including but not limited to personal injury, physical loss, harassment of OSOS's employee, or violations of the Patent and Copyright Indemnification, Protection of the Confidential Information, and Ownership/Rights in Data sections of this Contract occasioned by the acts or omissions of the Contractor's Subcontractors, their agents or employees. The Patent and Copyright Indemnification, Protection of Confidential Information, Ownership/Rights in Data, Publicity, and Review of Contractor's Records sections of this Contract shall apply to all Subcontractors.

9. ASSURANCES

OSOS and Contractor agree that this Contract shall be subject to and governed by the federal Help America Vote Act (HAVA), Public Law 107-252, H.R. 3295, and its accompanying regulations, and all applicable federal, state, and local laws, rules and regulations, including but not limited to:

- A. Federal principles regarding allowable costs (45 CFR section 1183.23).
- B. The federal award of OSOS's license in works developed or acquired with federal support (45 CFR section 1183.34).
- C. Compliance with federal laws, implementing regulations, and executive orders, including, but not limited to:
 - a) **45 Code of Federal Regulations (CFR) Part 1183**, Uniform Administrative Requirements for Grants and Cooperative Agreements;
 - b) **Office of Management and Budget (OMB) Circular A-21 Revised**, Cost Principles for Educational Institutions;
 - c) **Office of Management and Budget (OMB) Circular A-87 Revised**, Cost Principles for State, Local and Indian Tribal Governments;

- d) **Office of Management and Budget (OMB) Circular A-122**, Cost Principles for Non-Profit Organizations; and
- e) **Office of Management and Budget (OMB) Circular A-133 Revised**, Audits of States, Local Governments, and Non-Profit Organizations.

10. ORDER OF PRECEDENCE

Each of the exhibits listed below is by this reference hereby incorporated into this Contract. In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:

- a) Applicable Federal and Washington State statutes, rules, and regulations
- b) Special Terms and Conditions as contained in this Contract
- c) Exhibit A – General Terms and Conditions
- d) Exhibit B – Statement of Work
- e) Exhibit C – Certificate of Debarment and Suspension
- f) Exhibit D – Contractor’s response to the solicitation
- g) Exhibit E – RFP No. 14-13
- h) Any other provision, term, or material incorporated by reference or otherwise incorporated

11. ENTIRE AGREEMENT

This Contract including referenced exhibits represents all the terms and conditions agreed upon by the parties. No other understandings or representations, oral or otherwise, regarding the subject matter of this Contract shall be deemed a part hereof.

12. SEVERABILITY

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.

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