



IT SERVICES CONTRACT
Business Management Modernization
Project (BMMP) Case Management System

DSHS Contract Number:
 Resulting From Competition
 Number: 2023-761

This Contract is between the State of Washington Department of Social and Health Services (DSHS) and the Contractor identified below, and is governed by chapter 43.19 and 43.105 RCW.

Contractor Contract Number:

CONTRACTOR NAME	CONTRACTOR doing business as (DBA)
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CONTRACTOR ADDRESS	WASHINGTON UNIFORM BUSINESS IDENTIFIER (UBI)	DSHS INDEX NUMBER
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CONTRACTOR CONTACT	CONTRACTOR TELEPHONE	CONTRACTOR FAX	CONTRACTOR E-MAIL ADDRESS
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DSHS ADMINISTRATION	DSHS DIVISION	DSHS CONTRACT CODE 1000SC-23
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DSHS CONTACT NAME AND TITLE	DSHS CONTACT ADDRESS
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DSHS CONTACT TELEPHONE	DSHS CONTACT FAX	DSHS CONTACT E-MAIL ADDRESS
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IS THE CONTRACTOR A SUBRECIPIENT FOR PURPOSES OF THIS CONTRACT?	CFDA NUMBERS
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CONTRACT START DATE 01/31/2021	CONTRACT END DATE 01/31/2026	CONTRACT MAXIMUM AMOUNT \$4,340,000.00
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EXHIBITS. The following Exhibits are attached and are incorporated into this Contract by reference:
 Exhibits (specify): Exhibit A – Data Security Requirements Exhibit; Exhibit B – Interface Descriptions; Exhibit C – Mandatory COVID-19 Safety Measures; Exhibit D – Information Security Standards Manual; Exhibit E – Statement of Work & Service Level Agreement

The terms and conditions of this Contract are an integration of and constitute the final, entire and exclusive understanding of the agreement between the parties, superseding and merging all previous agreements, writings, and communications between the parties made prior to or at the signing of this Contract. The parties signing below warrant they have read and understand this Contract, and have authority to enter into this Contract.

CONTRACTOR SIGNATURE	PRINTED NAME AND TITLE	DATE SIGNED
_____	_____	

DSHS SIGNATURE	PRINTED NAME AND TITLE	DATE SIGNED
_____	_____	

General Terms and Conditions

1. **Definitions.** The words and phrases listed below, as used in this Contract, shall each have the following definitions:
 - a. "Central Contracts and Legal Services" means the DSHS central headquarters contracting office, or successor section or office.
 - b. "Confidential Information" or "Data" means information that is exempt from disclosure to the public or other unauthorized persons under RCW 42.56 or other federal or state laws. Confidential Information includes, but is not limited to, Personal Information.
 - c. "Contract" or "Agreement" means the entire written agreement between DSHS and the Contractor, including any Exhibits, documents, or materials incorporated by reference. The parties may execute this contract in multiple counterparts, each of which is deemed an original and all of which constitute only one agreement. E-mail or Facsimile transmission of a signed copy of this contract shall be the same as delivery of an original.
 - d. "CCLS Chief" means the manager, or successor, of Central Contracts and Legal Services or successor section or office.
 - e. "Contractor" means the individual or entity performing services pursuant to this Contract and includes the Contractor's owners, members, officers, directors, partners, employees, and/or agents, unless otherwise stated in this Contract. For purposes of any permitted Subcontract, "Contractor" includes any Subcontractor and its owners, members, officers, directors, partners, employees, and/or agents.
 - f. "Debarment" means an action taken by a Federal agency or official to exclude a person or business entity from participating in transactions involving certain federal funds.
 - g. "DSHS" or the "Department" means the state of Washington Department of Social and Health Services and its employees and authorized agents.
 - h. "Encrypt" means to encode Confidential Information into a format that can only be read by those possessing a "key;" a password, digital certificate or other mechanism available only to authorized users. Encryption must use a key length of at least 256 bits for symmetric keys, or 2048 bits for asymmetric keys. When a symmetric key is used, the Advanced Encryption Standard (AES) must be used if available.
 - i. "Personal Information" means information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, Social Security Numbers, driver license numbers, other identifying numbers, and any financial identifiers.
 - j. "Physically Secure" means that access is restricted through physical means to authorized individuals only.
 - k. "Program Agreement" means an agreement between the Contractor and DSHS containing special terms and conditions, including a statement of work to be performed by the Contractor and payment to be made by DSHS.
 - l. "RCW" means the Revised Code of Washington. All references in this Contract to RCW chapters or sections shall include any successor, amended, or replacement statute. Pertinent RCW chapters can be accessed at <http://apps.leg.wa.gov/rcw/>.

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- m. "Regulation" means any federal, state, or local regulation, rule, or ordinance.
 - n. "Secured Area" means an area to which only authorized representatives of the entity possessing the Confidential Information have access. Secured Areas may include buildings, rooms or locked storage containers (such as a filing cabinet) within a room, as long as access to the Confidential Information is not available to unauthorized personnel.
 - o. "Subcontract" means any separate agreement or contract between the Contractor and an individual or entity ("Subcontractor") to perform all or a portion of the duties and obligations that the Contractor is obligated to perform pursuant to this Contract.
 - p. "Tracking" means a record keeping system that identifies when the sender begins delivery of Confidential Information to the authorized and intended recipient, and when the sender receives confirmation of delivery from the authorized and intended recipient of Confidential Information.
 - q. "Trusted Systems" include only the following methods of physical delivery: (1) hand-delivery by a person authorized to have access to the Confidential Information with written acknowledgement of receipt; (2) United States Postal Service ("USPS") first class mail, or USPS delivery services that include Tracking, such as Certified Mail, Express Mail or Registered Mail; (3) commercial delivery services (e.g. FedEx, UPS, DHL) which offer tracking and receipt confirmation; and (4) the Washington State Campus mail system. For electronic transmission, the Washington State Governmental Network (SGN) is a Trusted System for communications within that Network.
 - r. "WAC" means the Washington Administrative Code. All references in this Contract to WAC chapters or sections shall include any successor, amended, or replacement regulation. Pertinent WAC chapters or sections can be accessed at <http://apps.leg.wa.gov/wac/>.
2. **Amendment.** This Contract may only be modified by a written amendment signed by both parties. Only personnel authorized to bind each of the parties may sign an amendment.
3. **Assignment.** The Contractor shall not assign this Contract or any Program Agreement to a third party without the prior written consent of DSHS.
4. **Billing Limitations.**
- a. DSHS shall pay the Contractor only for authorized services provided in accordance with this Contract.
 - b. DSHS shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were performed.
 - c. The Contractor shall not bill and DSHS shall not pay for services performed under this Contract, if the Contractor has charged or will charge another agency of the state of Washington or any other party for the same services.
5. **Compliance with Applicable Law.** At all times during the term of this Contract, the Contractor shall comply with all applicable federal, state, and local laws and regulations, including but not limited to, nondiscrimination laws and regulations.
6. **Confidentiality.**
- a. The Contractor shall not use, publish, transfer, sell or otherwise disclose any Confidential Information gained by reason of this Contract for any purpose that is not directly connected with

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Contractor's performance of the services contemplated hereunder, except:

- (1) as provided by law; or,
 - (2) in the case of Personal Information, with the prior written consent of the person or personal representative of the person who is the subject of the Personal Information.
- b. The Contractor shall protect and maintain all Confidential Information gained by reason of this Contract against unauthorized use, access, disclosure, modification or loss. This duty requires the Contractor to employ reasonable security measures, which include restricting access to the Confidential Information by:
- (1) Allowing access only to staff that have an authorized business requirement to view the Confidential Information.
 - (2) Physically Securing any computers, documents, or other media containing the Confidential Information.
 - (3) Ensure the security of Confidential Information transmitted via fax (facsimile) by:
 - (a) Verifying the recipient phone number to prevent accidental transmittal of Confidential Information to unauthorized persons.
 - (b) Communicating with the intended recipient before transmission to ensure that the fax will be received only by an authorized person.
 - (c) Verifying after transmittal that the fax was received by the intended recipient.
 - (4) When transporting six (6) or more records containing Confidential Information, outside a Secured Area, do one or more of the following as appropriate:
 - (a) Use a Trusted System.
 - (b) Encrypt the Confidential Information, including:
 - i. Encrypting email and/or email attachments which contain the Confidential Information.
 - ii. Encrypting Confidential Information when it is stored on portable devices or media, including but not limited to laptop computers and flash memory devices.
 - (5) Send paper documents containing Confidential Information via a Trusted System.
 - (6) Following the requirements of the DSHS Data Security Requirements Exhibit, if attached to this contract.
- c. Upon request by DSHS, at the end of the Contract term, or when no longer needed, Confidential Information shall be returned to DSHS or Contractor shall certify in writing that they employed a DSHS approved method to destroy the information. Contractor may obtain information regarding approved destruction methods from the DSHS contact identified on the cover page of this Contract.
- d. Paper documents with Confidential Information may be recycled through a contracted firm, provided

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the contract with the recycler specifies that the confidentiality of information will be protected, and the information destroyed through the recycling process. Paper documents containing Confidential Information requiring special handling (e.g. protected health information) must be destroyed on-site through shredding, pulping, or incineration.

- e. **Notification of Compromise or Potential Compromise.** The compromise or potential compromise of Confidential Information must be reported to the DSHS Contact designated on the contract within one (1) business day of discovery. Contractor must also take actions to mitigate the risk of loss and comply with any notification or other requirements imposed by law or DSHS.
7. **Debarment Certification.** The Contractor, by signature to this Contract, certifies that the Contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency from participating in transactions (Debarred). The Contractor also agrees to include the above requirement in any and all Subcontracts into which it enters. The Contractor shall immediately notify DSHS if, during the term of this Contract, Contractor becomes Debarred. DSHS may immediately terminate this Contract by providing Contractor written notice if Contractor becomes Debarred during the term hereof.
8. **Governing Law and Venue.** This Contract shall be construed and interpreted in accordance with the laws of the state of Washington and the venue of any action brought hereunder shall be in Superior Court for Thurston County.
9. **Independent Contractor.** The parties intend that an independent contractor relationship will be created by this Contract. The Contractor and his or her employees or agents performing under this Contract are not employees or agents of the Department. The Contractor, his or her employees, or agents performing under this Contract will not hold himself/herself out as, nor claim to be, an officer or employee of the Department by reason hereof, nor will the Contractor, his or her employees, or agent make any claim of right, privilege or benefit that would accrue to such officer or employee.
10. **Inspection.** The Contractor shall, at no cost, provide DSHS and the Office of the State Auditor with reasonable access to Contractor's place of business, Contractor's records, and DSHS client records, wherever located. These inspection rights are intended to allow DSHS and the Office of the State Auditor to monitor, audit, and evaluate the Contractor's performance and compliance with applicable laws, regulations, and these Contract terms. These inspection rights shall survive for six (6) years following this Contract's termination or expiration.
11. **Maintenance of Records.** The Contractor shall maintain records relating to this Contract and the performance of the services described herein. The records include, but are not limited to, accounting procedures and practices, which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. All records and other material relevant to this Contract shall be retained for six (6) years after expiration or termination of this Contract.

Without agreeing that litigation or claims are legally authorized, if any litigation, claim, or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.
12. **Order of Precedence.** In the event of any inconsistency or conflict between the General Terms and Conditions and the Special Terms and Conditions of this Contract or any Program Agreement, the inconsistency or conflict shall be resolved by giving precedence to these General Terms and Conditions. Terms or conditions that are more restrictive, specific, or particular than those contained in the General Terms and Conditions shall not be construed as being inconsistent or in conflict.
13. **Severability.** If any term or condition of this Contract is held invalid by any court, the remainder of the

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Contract remains valid and in full force and effect.

14. Survivability. The terms and conditions contained in this Contract or any Program Agreement which, by their sense and context, are intended to survive the expiration or termination of the particular agreement shall survive. Surviving terms include, but are not limited to: Billing Limitations; Confidentiality, Disputes; Indemnification and Hold Harmless, Inspection, Maintenance of Records, Notice of Overpayment, Ownership of Material, Termination for Default, Termination Procedure, and Treatment of Property.

15. Contract Renegotiation, Suspension, or Termination Due to Change in Funding.

If the funds DSHS relied upon to establish this Contract or Program Agreement are withdrawn, reduced or limited, or if additional or modified conditions are placed on such funding, after the effective date of this contract but prior to the normal completion of this Contract or Program Agreement:

- a. At DSHS's discretion, the Contract or Program Agreement may be renegotiated under the revised funding conditions.
- b. At DSHS's discretion, DSHS may give notice to Contractor to suspend performance when DSHS determines that there is reasonable likelihood that the funding insufficiency may be resolved in a timeframe that would allow Contractor's performance to be resumed prior to the normal completion date of this contract.
 - (1) During the period of suspension of performance, each party will inform the other of any conditions that may reasonably affect the potential for resumption of performance.
 - (2) When DSHS determines that the funding insufficiency is resolved, it will give Contractor written notice to resume performance. Upon the receipt of this notice, Contractor will provide written notice to DSHS informing DSHS whether it can resume performance and, if so, the date of resumption. For purposes of this subsection, "written notice" may include email.
 - (3) If the Contractor's proposed resumption date is not acceptable to DSHS and an acceptable date cannot be negotiated, DSHS may terminate the contract by giving written notice to Contractor. The parties agree that the Contract will be terminated retroactive to the date of the notice of suspension. DSHS shall be liable only for payment in accordance with the terms of this Contract for services rendered prior to the retroactive date of termination.
- c. DSHS may immediately terminate this Contract by providing written notice to the Contractor. The termination shall be effective on the date specified in the termination notice. DSHS shall be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination. No penalty shall accrue to DSHS in the event the termination option in this section is exercised.

16. Waiver. Waiver of any breach or default on any occasion shall not be deemed to be a waiver of any subsequent breach or default. Any waiver shall not be construed to be a modification of the terms and conditions of this Contract. Only the CCLS Chief or designee has the authority to waive any term or condition of this Contract on behalf of DSHS.

Additional General Terms and Conditions – IT Services Contracts:

17. Advance Payment. DSHS shall not make any payments in advance or in anticipation of the delivery of

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services to be provided pursuant to this Contract.

18. **Commencement of Work.** No work shall be performed by the Contractor until the Contract is executed by the Contractor and DSHS and received by DSHS.
19. **Construction.** The language in this Contract shall be interpreted as to its fair meaning and not strictly for or against any party. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Contract.
20. **Contractor Certification Regarding Ethics.** The Contractor certifies that the Contractor is now, and shall remain, in compliance with Chapter 42.52 RCW, Ethics in Public Service, throughout the term of this Contract.
21. **Contractor Commitments, Warranties and Representations.** Any written commitment by the Contractor within the scope of this Contract shall be binding upon the Contractor. Failure of the Contractor to fulfill such a commitment may constitute breach and shall render the Contractor liable for damages under the terms of this Contract. For purposes of this section, a commitment by the Contractor includes but is not limited to: (i) Prices, discounts, and options committed to remain in force over a specified period of time; and (ii) any warranty or representation made by the Contractor in its response to the solicitation resulting in this Contract ("Bid") or contained in any Contractor or manufacturer publications, written materials, schedules, charts, diagrams, tables, descriptions, other written representations, and any other communication medium accompanying or referred to in its Bid or used to effect the sale to DSHS.
22. **DES Filing Requirement.** Under RCW 39.26, sole source contracts and amendments must be filed with the State of Washington Department of Enterprise Services (DES). If this Contract is one that must be filed, it shall not be effective nor shall work commence or payment be made until the tenth (10th) working day following the date of filing subject to DES approval. In the event DES fails to approve the Contract or any amendment hereto, the Contract or amendment shall be null and void.
23. **Disputes.**
 - a. In the event a bona fide dispute concerning a question of fact arises between DSHS and the Contractor that cannot be resolved between the parties, either party may initiate the dispute resolution procedure provided herein.
 - b. The initiating party shall reduce its description of the dispute to writing and deliver it to the responding party. The responding party shall respond in writing within three (3) Business Days (which shall mean Monday through Friday, 8:00 a.m. to 5:00 p.m., Pacific Time, except for holidays observed by the state of Washington). The initiating party shall have three (3) Business Days to review the response. If after this review a resolution cannot be reached, both parties shall have three (3) Business Days to negotiate in good faith to resolve the dispute.
 - (1) If the dispute cannot be resolved after three (3) Business Days, a dispute resolution panel may be requested in writing by either party who shall also identify the first panel member. Within three (3) Business Days of receipt of the request, the other party will designate a panel member. Those two panel members will appoint a third individual to the dispute resolution panel within the next three (3) Business Days.
 - (2) The dispute resolution panel will review the written descriptions of the dispute, gather additional information as needed, and render a written decision on the dispute in the shortest practical time.

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- (3) Each party shall bear the cost for its panel member and share equally the cost of the third panel member.
- c. Unless irreparable harm will result, the parties agree that this dispute process shall precede any action in a judicial or quasi-judicial tribunal.
 - d. Both parties agree to exercise good faith in dispute resolution and to settle disputes prior to using a dispute resolution panel whenever possible.
 - e. Except to the extent that disclosure is required by applicable law or court order, all negotiations pursuant to this clause are confidential and shall be treated by the parties as statements made in compromise negotiations for purposes of the rules of evidence.
 - f. DSHS and the Contractor agree that, the existence of a dispute notwithstanding, they will continue without delay to carry out all their respective responsibilities under this Contract that are not affected by the dispute.
 - g. If the subject of the dispute is the amount due and payable by DSHS for services being provided by the Contractor, the Contractor shall continue providing services pending resolution of the dispute provided DSHS pays the Contractor the amount DSHS, in good faith, believes is due and payable, and may withhold the difference between such amount and the amount the Contractor, in good faith, believes is due and payable.
- 24. Health and Safety.** The Contractor shall perform any and all of its obligations under this Contract in a manner that does not compromise the health or safety of any DSHS client with whom the Contractor has contact.
- 25. Indemnification and Hold Harmless.**
- a. The Contractor shall be responsible for and shall indemnify, defend, and hold DSHS harmless from any and all claims, costs, charges, penalties, demands, losses, liabilities, damages, judgments, or fines, of whatsoever kind or nature, arising out of or relating to a) the Contractor's or any Subcontractor's performance or failure to perform this Contract, or b) the acts or omissions of the Contractor or any Subcontractor.
 - b. The Contractor's duty to indemnify, defend, and hold DSHS harmless from any and all claims, costs, charges, penalties, demands, losses, liabilities, damages, judgments, or fines shall include DSHS' personnel-related costs, reasonable attorney's fees, court costs, and all related expenses.
 - c. The Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend, and hold harmless the State and its agencies, officials, agents, or employees.
 - d. Nothing in this term shall be construed as a modification or limitation on the Contractor's obligation to procure insurance in accordance with this Contract or the scope of said insurance.
- 26. Industrial Insurance Coverage.** The Contractor shall comply with the provisions of Title 51 RCW, Industrial Insurance. If the Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees, as may be required by law, Agency may collect from the Contractor the full amount payable to the Industrial Insurance accident fund. The Agency may deduct the amount owed by the Contractor to the accident fund from the amount payable to the Contractor by the Agency under this contract, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from the Contractor.

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27. Limitation of Liability.

- a. The Parties agree that neither the Contractor nor DSHS shall be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages except a claim related to bodily injury or death, or a claim or demand based on patent, copyright, or other intellectual property right infringement, in which case liability shall be as set forth elsewhere in this Contract.
- b. This section does not modify any sections or any other conditions as are elsewhere agreed to herein between the parties. The following are not considered consequential, incidental, indirect, or special damages as the term is used in the foregoing section.
 - (1) Claims pursuant to any provision of this Contract calling for liquidated damages;
 - (2) Claims for attorney's fees and other litigation costs DSHS becomes entitled to recover as a prevailing party in an action;
 - (3) Claims for physical damage to real or tangible property;
 - (4) Claims arising from reckless or intentional misconduct;
 - (5) Amounts due or obligations under the following sections, if included: (i) indemnification; (ii) intellectual property indemnification; (iii) inspection and maintenance of records; (iv) damages resulting from default; (v) data security requirements; (vi) or breaches of confidentiality including disclosure of PHI; or
 - (6) Any loss or claim to the extent the loss or claim is covered by a policy of insurance maintained, or required by this contract to be maintained, by the Contractor.
- c. Neither party shall be liable for personal injury to the other party or damage to the other party's property except personal injury or damage to property proximately caused by such party's respective fault or negligence.

28. Notice of Overpayment. If the Contractor receives a Contractor overpayment notice or a letter communicating the existence of an overpayment from DSHS, the Contractor may protest the overpayment determination by requesting an adjudicative proceeding. The Contractor's request for an adjudicative proceeding must:

- a. Be *received* by the Office of Financial Recovery (OFR) at Post Office Box 9501, Olympia, Washington 98507-9501, within twenty-eight (28) calendar days of service of the notice;
- b. Be sent by certified mail (return receipt) or other manner that proves OFR received the request;
- c. Include a statement as to why the Contractor thinks the notice is incorrect; and
- d. Include a copy of the overpayment notice.

Timely and complete requests will be scheduled for a formal hearing by the Office of Administrative Hearings. The Contractor may be offered a pre-hearing or alternative dispute resolution conference in an attempt to resolve the overpayment dispute prior to the hearing.

Failure to provide OFR with a written request for a hearing within twenty-eight (28) days of service of a Contractor overpayment notice or other overpayment letter will result in an overpayment debt against the Contractor. DSHS may charge the Contractor interest and any costs associated with the collection

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of this overpayment. DSHS may collect an overpayment debt through lien, foreclosure, seizure and sale of the Contractor's real or personal property; order to withhold and deliver; or any other collection action available to DSHS to satisfy the overpayment debt.

29. Ownership/Rights in Data.

- a. Both Custom Services and Commercial Off-The-Shelf material that is delivered under this Contract, but that does not originate therefrom ("Preexisting Material"), shall be transferred to DSHS with a nonexclusive, royalty-free, irrevocable license to publish, translate, reproduce, deliver, perform, display, and dispose of such Preexisting Material, and to authorize others to do so except that such license shall be limited to the extent to which Contractor has a right to grant such a license. The Contractor shall exert all reasonable effort to advise DSHS at the time of delivery of Preexisting Material furnished under this Contract, of all known or potential infringements of publicity, privacy or of intellectual property contained therein and of any portion of such document which was not produced in the performance of this Contract. The Contractor agrees to obtain, at its own expense, express written consent of the copyright holder for the inclusion of Preexisting Material. DSHS shall receive prompt written notice of each notice or claim of copyright infringement or infringement of other intellectual property right worldwide received by the Contractor with respect to any Preexisting Material delivered under this Contract. DSHS shall not have the right to modify or remove any restrictive markings placed upon the Preexisting Material by the Contractor.
- b. Custom Services. If this Contract involves custom service, the below sections (b)(1) through (4) apply.
 - (1) DSHS and the Contractor agree that all data and work products (collectively called "Work Product") produced pursuant to this Contract shall be considered work made for hire under the U.S. Copyright Act, 17 U.S.C. §101 et seq, and shall be owned by DSHS. The Contractor is hereby commissioned to create the Work Product. Work Product includes, but is not limited to, discoveries, formulae, ideas, improvements, inventions, methods, models, processes, techniques, findings, conclusions, recommendations, reports, designs, plans, diagrams, drawings, Software, databases, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions, to the extent provided by law. Ownership includes the right to copyright, patent, register and the ability to transfer these rights and all information used to formulate such Work Product.
 - (2) If for any reason the Work Product would not be considered a work made for hire under applicable law, the Contractor assigns and transfers to DSHS the entire right, title and interest in and to all rights in the Work Product and any registrations and copyright applications relating thereto and any renewals and extensions thereof.
 - (3) The Contractor shall execute all documents and perform such other proper acts as DSHS may deem necessary to secure for DSHS the rights pursuant to this section.
 - (4) The Contractor shall not use or in any manner disseminate any Work Product to any third party, or represent in any way Contractor ownership in any Work Product, without the prior written permission of DSHS. The Contractor shall take all reasonable steps necessary to ensure that its agents, employees, or Subcontractors shall not copy or disclose, transmit or perform any Work Product or any portion thereof, in any form, to any third party.
- c. Commercial Off-The-Shelf. If this Contract involves commercial off-the-shelf products, the below sections (c)(1) through (3) apply.
 - (1) The Contractor shall maintain all title, copyright, and other proprietary rights in the Software.

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DSHS does not acquire any rights, express or implied, in the Software, other than those specified in this Contract. Contractor hereby warrants and represents to DSHS that Contractor is the owner of the Software licensed hereunder or otherwise has the right to grant to DSHS the licensed rights to the Software provided by Contractor through this Contract without violating any rights of any third party worldwide.

- (2) The Contractor represents and warrants that Contractor has the right to license the Software to DSHS as provided in this Contract and that DSHS' use of the Software and documentation within the terms of this Contract will not infringe upon any copyright, patent, trademark, or other intellectual property right worldwide or violate any third party's trade secret, contract, or confidentiality rights worldwide.
- (3) The Contractor represents and warrants that: (i) Contractor is not aware of any claim, investigation, litigation, action, suit or administrative or judicial proceeding pending or threatened based on claims that the Software infringes any patents, copyrights, or trade secrets of any third party, and (ii) that Contractor has no actual knowledge that the Software infringes upon any patents, copyrights, or trade secrets of any third party.

30. Patent and Copyright Indemnification.

- a. The Contractor, at its expense, shall defend, indemnify, and hold DSHS harmless from and against any claims against DSHS that any Product or Work Product supplied hereunder, or DSHS's use of the Product or Work Product within the terms of this Contract, infringes any patent, copyright, utility model, industrial design, mask work, trade secret, trademark, or other similar proprietary right of a third party worldwide. Product shall mean any Contractor-supplied equipment, Software, or documentation. The Contractor shall pay all costs of such defense and settlement and any penalties, costs, damages and attorneys' fees awarded by a court or incurred by DSHS provided that DSHS:
 - (1) Promptly notifies the Contractor in writing of the claim, but DSHS's failure to provide timely notice shall only relieve the Contractor from its indemnification obligations if and to the extent such late notice prejudiced the defense or resulted in increased expense or loss to the Contractor; and
 - (2) Cooperates with and agrees to use its best efforts to encourage the Office of the Attorney General of Washington to grant the Contractor sole control of the defense and all related settlement negotiations.
- b. If such claim has occurred, or in the Contractor's opinion is likely to occur, DSHS agrees to permit the Contractor, at its option and expense, either to procure for DSHS the right to continue using the Product or Work Product or to replace or modify the same so that they become non-infringing and functionally equivalent. If use of the Product or Work Product is enjoined by a court and the Contractor determines that none of these alternatives is reasonably available, the Contractor, at its risk and expense, will take back the Product or Work Product and provide DSHS a refund. In the case of Work Product, the Contractor shall refund to DSHS the entire amount DSHS paid to the Contractor for the Contractor's provision of the Work Product. In the case of Product, the Contractor shall refund to DSHS its depreciated value. No termination charges will be payable on such returned Product, and DSHS will pay only those charges that were payable prior to the date of such return. Depreciated value shall be calculated on the basis of a useful life of four (4) years commencing on the date of purchase and shall be an equal amount per year over said useful life. The depreciation for fractional parts of a year shall be prorated on the basis of three hundred sixty-five (365) days per year. In the event the Product has been installed less than one (1) year, all costs associated with the initial installation paid by DSHS shall be refunded by the Contractor.

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- c. The Contractor has no liability for any claim of infringement arising solely from:
 - (1) The Contractor's compliance with any designs, specifications or instructions of DSHS;
 - (2) Modification of the Product or Work Product by DSHS or a third party without the prior knowledge and approval of the Contractor; or
 - (3) Use of the Product or Work Product in a way not specified by the Contractor;unless the claim arose against the Contractor's Product or Work Product independently of any of these specified actions.
- d. This Section, *Patent and Copyright Indemnification*, is intended to survive the expiration or termination of the agreement.

- 31. **Public Records Act.** The Contractor acknowledges that DSHS is subject to the Public Records Act (Chapter 42.56 RCW) and that this Contract is a public record as defined in Chapter 42.56 RCW. Any specific information that is claimed by the Contractor to be Proprietary Information must be clearly identified as such by the Contractor. "Proprietary Information" means information owned by the Contractor to which the Contractor claims a protectable interest under law. Proprietary Information includes, but is not limited to, information protected by copyright, patent, trademark, or trade secret laws. To the extent consistent with Chapter 42.56 RCW, DSHS will maintain the confidentiality of all such information marked Proprietary Information. If a public disclosure request is made to view the Contractor's Proprietary Information, DSHS will notify the Contractor of the request and of the date that such records will be released to the requester unless the Contractor obtains a court order from a court of competent jurisdiction enjoining that disclosure. If the Contractor fails to obtain the court order enjoining disclosure, DSHS will release the requested information on the date specified.
- 32. **Publicity.** The Contractor shall not name DSHS as a customer, nor use any information related to this Contract, in any format or media, in any Contractor's advertising or publicity without prior written consent from DSHS.
- 33. **Site Security.** While providing services at a DSHS location, the Contractor, its agents, employees, or Subcontractors shall conform in all respects with physical, fire, or other security regulations specific to the DSHS location.
- 34. **Subcontracting.** Except as otherwise provided in this Contract, the Contractor shall not Subcontract any of the contracted services without the prior written approval of DSHS. Contractor is responsible to ensure that all terms, conditions, assurances and certifications set forth in this Contract are included in any and all Subcontracts. Any failure of Contractor or its Subcontractors to perform the obligations of this Contract shall not discharge the Contractor from its obligations hereunder or diminish DSHS' rights or remedies available under this Contract.
- 35. **Termination for Convenience.** DSHS may terminate this Contract in whole or in part when it is in the best interest of DSHS by giving the Contractor at least thirty (30) calendar days' written notice.
- 36. **Termination for Default.** The CCLS Chief may immediately terminate this Contract for default, in whole or in part, by written notice to the Contractor if DSHS has a reasonable basis to believe that the Contractor has:
 - a. Failed to meet or maintain any requirement for contracting with DSHS;
 - b. Failed to protect the health or safety of any DSHS client;

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- c. Failed to perform under, or otherwise breached, any term or condition of this Contract; and/or
- d. Violated any applicable law or regulation.

If it is later determined that the Contractor was not in default, the termination shall be considered a termination for convenience.

37. Termination or Expiration Procedure. The following terms and conditions apply upon Contract termination or expiration:

- a. The Contractor shall cease to perform any services required by this Contract as of the effective date of termination or expiration.
- b. If the Contract is terminated, the Contractor shall comply with all instructions contained in the termination notice.
- c. The Contractor shall immediately deliver to the DSHS contact named on page one of this Contract, or to his or her successor, all DSHS property in the Contractor's possession. The Contractor grants DSHS the right to enter upon the Contractor's premises for the sole purpose of recovering any DSHS property that the Contractor fails to return within ten (10) calendar days of the effective date of termination or expiration of this Contract. Upon failure to return DSHS property within ten (10) calendar days, the Contractor shall be charged with all reasonable costs of recovery, including transportation.
- d. DSHS shall be liable only for payment required under the terms of this Contract for service rendered up to the effective date of termination or expiration.
- e. DSHS may withhold a sum from the final payment to the Contractor that DSHS determines necessary to protect DSHS against loss or additional liability.
- f. The rights and remedies provided to DSHS in this Section are in addition to any other rights and remedies provided at law, in equity, and/or under this Contract, including consequential and incidental damages.

38. Treatment of Property. All property purchased or furnished by DSHS for use by the Contractor during this Contract term shall remain with DSHS. Title to all property purchased or furnished by the Contractor for which the Contractor is entitled to reimbursement by DSHS under this Contract shall pass to and vest in DSHS. The Contractor shall protect, maintain, and insure all DSHS property in its possession against loss or damage and shall return DSHS property to DSHS upon Contract termination or expiration.

39. Taxes

- a. Where required by statute or regulation, Contractor shall pay for and maintain in current status all taxes that are necessary for Contract performance. DSHS will pay sales or use taxes, if any, imposed on the services and materials acquired hereunder. Contractor must pay all other taxes including without limitation Washington Business and Occupation Tax, other taxes based on Contractor's income or gross receipts, or personal property taxes levied or assessed on Contractor's personal property. DSHS, as an agency of Washington State government, is exempt from property tax.
- b. Contractor shall complete registration with the Washington State Department of Revenue and be responsible for payment of all taxes due on payments made under this Contract in accordance with

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the requirements of [Title 82 RCW](#) and [Title 458 WAC](#). Out-of-state Contractors must contact the Department of Revenue to determine whether they meet criteria to register and establish an account with the Department of Revenue. Refer to WAC 458-20-101 (Tax registration and tax reporting) and call the Department of Revenue at 800-647-7706 for additional information. When out-of-state Contractors are not required to collect and remit sales tax, DSHS shall be responsible for paying use tax, if applicable, directly to the Department of Revenue.

- c. All payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance, or other expenses for Contractor or Contractor's staff shall be Contractor's sole responsibility.

40. Mandatory Individual Arbitration and Class or Collective Action Waiver as a Condition of Employment.

- a. "Mandatory Individual Arbitration Clause" or "Class or Collective Action Waiver" means an arbitration clause or waiver in an employment contract which precludes Contractor's employees from resolving employment disputes with their employer through class or collective proceedings in federal court. Instead, employees must bring individualized arbitration proceedings against their employer to resolve any employment disputes.
- b. The Contractor, by signature to this Contract, certifies that the Contractor does not require Contractor's employees to agree to, as a condition of employment, a Mandatory Individual Arbitration Clause or Class or Collective Action Waiver.
- c. Contractor must notify DSHS within ten (10) business days if, during the term of this Contract, Contractor requires Contractor's employees to agree to, as a condition of employment, a Mandatory Individual Arbitration Clause or Class or Collective Action Waiver.
- d. If Contractor, during the term of this contract, requires Contractor's employees to agree to, as a condition of employment, a Mandatory Individual Arbitration Clause or Class or Collective Action Waiver, DSHS reserves the right to terminate this contract, per the General Terms and Conditions Section regarding Termination for Convenience.

Special Terms and Conditions

1. **Definitions Specific to Special Terms.** The words and phrases listed below, as used in this Contract, shall each have the following definitions:
 - a. "BMMP" means Business Management Modernization Project.
 - b. Business Requirement Document (BRD) describes in detail all of the processes that will be implemented, detailed requirements, and will be used to ensure that the product meets the detailed specifications and achieves the desired results.
 - c. "Contractor" means the entity awarded and providing services under this contract, to include any and all staff assigned to performing the services by the entity.
 - d. "DSHS" means the Washington State Department of Social and Health Services.
 - e. "DVR" means the DSHS Division of Vocational Rehabilitation.
 - f. "HyperCare" means the period of immediate support provided by the Contractor after the solution goes live.
 - g. "Project" means the BMMP.
 - h. "Project Manager" means the entity or DSHS staff member responsible for management of the Project.
 - i. "Project Team" means the team comprised of DVR employees responsible for guiding decision-making related to the Project.
 - j. "Source Code" means the plain text collection of code for the Contractor software program provided to DSHS and any associated modules, with or without comments, written using a human-readable programming language.
 - k. "Deposit Materials" means the Source Code with comments, any instructional materials, manuals, or compiling procedures deposited with the Software Escrow Service in compliance with this Agreement.
2. **Purpose.** The purpose of this Contract is to acquire the relevant software, services, expertise, maintenance and support to modernize the business processes of the DSHS DVR. The resultant platform will be utilized by DVR for years to come in fulfilling our mission and providing DSHS services.
3. **Solicitation Certifications Included.**
 - a. All representations or certifications made by Contractor in Request for Proposals # _____ or its attachments are hereby incorporated by reference into this Contract. In the event of a conflict between the Contract and those documents the Contract term shall prevail.
4. **General Requirements.** While providing the services set forth in the Statement of Work, the Contractor shall coordinate project efforts by providing the following resources:
 - a. Contractor Contact. The Contractor shall designate a primary point of contact for this contract and provide the Project Manager and Project Team with the primary contact's name, title, phone number, and email address.
 - b. Coordination. The Contractor shall coordinate and collaborate with the Project Manager, Project

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Team, or any other DSHS staff where required in the Statement of Work. The preferred method of communication is email and pre-scheduled group meetings via an authorized telecommunications service. DSHS will inform the Contractor of the appropriate contacts.

- c. Approval of Deliverables. Contractor shall submit deliverables, when submission is required in the Statement of Work, to the DVR Planning and Evaluation Manager for DSHS approval.

(1) Deliverables requiring submission are not considered complete until they are approved by DSHS. The deliverable approval criteria will be SMART criteria (specific, measurable, achievable, realistic, and timely) in addition to any specific requirements of the statement of work.

(2) If a deliverable is rejected, the Contractor shall make corrections to the deliverable as needed and resubmit them within 15 days for DSHS approval.

(3) When the Statement of Work requires the Contractor to submit recommendations, DSHS will not base its approval on whether it agrees or disagrees with the recommendations.

5. **Consideration.** Total consideration payable to Contractor for satisfactory performance of the work under this Contract is up to a maximum of \$_____, including any and all expenses, and shall be based on the Exhibit D Cost Section of the Apparent Successful Bidder.

6. **Billing and Payment.**

a. Invoice System. The Contractor shall submit invoices using State Form A-19 Invoice Voucher, or such other form as designated by DSHS. Consideration for services rendered shall be payable upon receipt of properly completed invoices which the Contractor shall submit to the DVR Planning and Evaluation Manager at dvrcontractsunit2@dshs.wa.gov not more often than monthly. The invoices shall describe and document to DSHS' satisfaction a description of the work performed, deliverables completed, the progress of the project, and fees. The rates shall be in accordance with those set forth in Section 5, Consideration, of this Contract.

b. Payment. Payment shall be considered timely if made by DSHS within thirty (30) days after receipt and acceptance by the DVR Planning and Evaluation Manager of the properly completed invoices. Payment shall be sent to the address designated by the Contractor on page one (1) of this Contract. DSHS may, at its sole discretion, withhold payment claimed by the Contractor for services rendered if Contractor fails to satisfactorily comply with any term or condition of this Contract.

7. **Software Escrow**

a. The Source Code and other Deposit Materials for all Solutions licensed to DSHS hereunder shall be deposited in escrow with DSHS's escrow agent, which, as of the Effective Date, is _____, to be located within the United States. The escrow deposits shall be subject to release, in accordance with the terms and conditions of the Software Escrow Agreement. The Software Escrow Agreement is supplementary to the Agreement. Contractor shall make and cause to be made deposits of the Deposit Materials for the Software Escrow Agreement within thirty (30) days of the Effective Date.

b. Upon any release of the Deposits to DSHS, DSHS shall have a perpetual, non-exclusive, non-transferrable, non-assessable, irrevocable, worldwide, fully paid license to use, modify, adapt, execute, compile, and create derivative works of the Deposits for DSHS's internal use in order to support and enable continued use of the solution in the event of a Release Condition.

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- c. A "Release Condition" entitling DSHS to be transferred the Deposit materials shall be deemed to have occurred in the event of any of the following:
- (1) The Contractor enters bankruptcy, receivership, reorganization or other similar proceedings by or against the Contractor under the United States bankruptcy code, and if:
 - (a) Such proceedings have not been dismissed or discharged within thirty (3) days after they are instituted;
 - (b) Contractor or a trustee has failed to accept the License Agreement within fifteen (15) days after such proceedings are instituted; or
 - (c) Contractor or a trustee elects or files pleadings to reject the License Agreement at any time after such proceedings are instituted.
 - (2) Contractor makes an assignment for the benefit of creditors.
 - (3) Contractor (or its successor) materially defaults in its obligation to provide support and maintenance services as required by the License Agreement in accordance with the terms of the License Agreement (including the applicable time frame or effectuating a cure, but in no event less than a two (2) week cure period).
 - (4) Contractor's election to discontinue making any material part of the solution available to DSHS on commercially reasonable terms for any reason other than DSHS uncured material breach of its obligation to pay Contractor.
 - (5) Beneficiary becomes entitled to a release of the Deposit Materials pursuant to the terms of the License Agreement.
- d. If and when the Deposit Materials are released to DSHS, Contractor shall cooperate with and assist DSHS in the transfer of knowledge and in such other aspects of the solution or their operation as may be reasonably necessary to facilitate DSHS's understanding and use of the Deposit Materials. Contractor shall transfer any Knowledge it possess which is necessary for the day-to-day operation of the solution to DSHS employees and contractors so that DSHS will be able to operate and support the solution on a going forward basis ("Knowledge"). The transfer of Knowledge shall consist of Contractor instructing, educating and training DSHS personnel with respect to the following, to the extent within Contractor's Knowledge:
- (1) All data files, file and data definitions and relationships, data definition specifications, data models, program and logic, interfaces, algorithms, program architecture, design concepts, system designs, program structure, sequence and organization, screen displays and report layouts relating to the Solution;
 - (2) All available maintenance and support tools, utilities, diagnostic programs and supporting programs utilized by Contractor in the support and maintenance of the Solution;
 - (3) Documentation;
 - (4) The installation/maintenance of tools to support network performance analysis; and
 - (5) Management and troubleshooting.

8. Insurance.

Special Terms and Conditions

The Contractor shall at all times comply with the following insurance requirements.

a. General Liability Insurance

The Contractor shall maintain Commercial General Liability Insurance or Business Liability Insurance, including coverage for bodily injury, property damage, and contractual liability, with the following minimum limits: Each Occurrence - \$1,000,000; General Aggregate - \$2,000,000. The policy shall include liability arising out of the parties' performance under this Contract, including but not limited to premises, operations, independent Contractors, products-completed operations, personal injury, advertising injury, and liability assumed under an insured contract. The State of Washington, Department of Social & Health Services (DSHS), its elected and appointed officials, agents, and employees of the state, shall be named as additional insureds.

In lieu of general liability insurance mentioned above, if the contractor is a sole proprietor with less than three contracts, the contractor may choose one of the following three general liability policies but only if attached to a professional liability policy, and if selected the policy shall be maintained for the life of the contract:

Supplemental Liability Insurance, including coverage for bodily injury and property damage that will cover the contractor wherever the service is performed with the following minimum limits: Each Occurrence - \$1,000,000; General Aggregate - \$2,000,000. The State of Washington, Department of Social & Health Services (DSHS), its elected and appointed officials, agents, and employees shall be named as additional insureds.

or

Workplace Liability Insurance, including coverage for bodily injury and property damage that provides coverage wherever the service is performed with the following minimum limits: Each Occurrence - \$1,000,000; General Aggregate - \$2,000,000. The State of Washington, Department of Social & Health Services (DSHS), its elected and appointed officials, agents, and employees of the state, shall be named as additional insureds.

or

Premises Liability Insurance and provide services only at their recognized place of business, including coverage for bodily injury, property damage with the following minimum limits: Each Occurrence - \$1,000,000; General Aggregate - \$2,000,000. The State of Washington, Department of Social & Health Services (DSHS), its elected and appointed officials, agents, and employees of the state, shall be named as additional insured.

b. Business Automobile Liability Insurance

The Contractor shall maintain a Business Automobile Policy on all vehicles used to transport clients, including vehicles hired by the Contractor or owned by the Contractor's employees, volunteers or others, with the following minimum limits: \$1,000,000 per accident combined single limit. The Contractor's carrier shall provide DSHS with a waiver of subrogation or name DSHS as an additional insured.

c. Professional Liability Insurance (PL)

The Contractor shall maintain Professional Liability Insurance or Errors & Omissions insurance, including coverage for losses caused by errors and omissions, with the following minimum limits: Each Occurrence - \$1,000,000; Aggregate - \$2,000,000.

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d. Cyber Risk Liability Insurance

This coverage must include information theft, computer and data loss replacement or restoration, release of private information, alteration of electronic information, notification costs, credit monitoring, forensic investigation, cyber extortion, regulatory defense (including fines and penalties), network security, and liability to third parties from failure(s) of contractor to handle, manage, store, and control personally identifiable information belonging to others. The policy must include full prior acts coverage. Limits should be \$1,000,000 per covered claim without sublimit, \$2,000,000 annual aggregate.

e. Worker's Compensation

The Contractor shall comply with all applicable Worker's Compensation, occupational disease, and occupational health and safety laws and regulations. The State of Washington and DSHS shall not be held responsible for claims filed for Worker's Compensation under RCW 51 by the Contractor or its employees under such laws and regulations.

f. Employees and Volunteers

Insurance required of the Contractor under the Contract shall include coverage for the acts and omissions of the Contractor's employees and volunteers. In addition, the Contractor shall ensure that all employees and volunteers who use vehicles to transport clients or deliver services have personal automobile insurance and current driver's licenses.

g. Subcontractors

The Contractor shall ensure that all subcontractors have and maintain insurance with the same types and limits of coverage as required of the Contractor under the Contract.

h. Separation of Insureds

All insurance policies shall include coverage for cross liability and contain a "Separation of Insureds" provision.

i. Insurers

The Contractor shall obtain insurance from insurance companies identified as an admitted insurer/carrier in the State of Washington, with a Best's Reports' rating of B++, Class VII, or better. Surplus Lines insurance companies will have a rating of A-, Class VII, or better.

j. Evidence of Coverage

The Contractor shall, upon request by DSHS, submit a copy of the Certificate of Insurance, policy, and additional insured endorsement for each coverage required of the Contractor under this Contract. The Certificate of Insurance shall identify the Washington State Department of Social and Health Services as the Certificate Holder. A duly authorized representative of each insurer, showing compliance with the insurance requirements specified in this Contract, shall execute each Certificate of Insurance.

The Contractor shall maintain copies of Certificates of Insurance, policies, and additional insured endorsements for each subcontractor as evidence that each subcontractor maintains insurance as required by the Contract.

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k. Material Changes

The insurer shall give the DSHS point of contact listed on page one of this Contract 45 days advance written notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the insurer shall give DSHS 10 days advance written notice of cancellation.

l. General

By requiring insurance, the State of Washington and DSHS do not represent that the coverage and limits specified will be adequate to protect the Contractor. Such coverage and limits shall not be construed to relieve the Contractor from liability in excess of the required coverage and limits and shall not limit the Contractor's liability under the indemnities and reimbursements granted to the State and DSHS in this Contract. All insurance provided in compliance with this Contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the State.

m. Waiver

The Contractor waives all rights, claims and causes of action against the State of Washington and DSHS for the recovery of damages to the extent said damages are covered by insurance maintained by Contractor.

n. Liability Cap

Any limitation of liability or liability cap set forth in this Contract shall not preclude DSHS from claiming under any insurance maintained by the Contractor pursuant to this Contract, up to the policy limits.

Exhibit A – Data Security Requirements

Exhibit A – Data Security Requirements

1. **Definitions.** The words and phrases listed below, as used in this Exhibit, shall each have the following definitions:
 - a. “AES” means the Advanced Encryption Standard, a specification of Federal Information Processing Standards Publications for the encryption of electronic data issued by the National Institute of Standards and Technology (<http://nvlpubs.nist.gov/nistpubs/FIPS/NIST.FIPS.197.pdf>).
 - b. “Authorized Users(s)” means an individual or individuals with a business need to access DSHS Confidential Information, and who has or have been authorized to do so.
 - c. “Business Associate Agreement” means an agreement between DSHS and a contractor who is receiving Data covered under the Privacy and Security Rules of the Health Insurance Portability and Accountability Act of 1996. The agreement establishes permitted and required uses and disclosures of protected health information (PHI) in accordance with HIPAA requirements and provides obligations for business associates to safeguard the information.
 - d. “Category 4 Data” is data that is confidential and requires special handling due to statutes or regulations that require especially strict protection of the data and from which especially serious consequences may arise in the event of any compromise of such data. Data classified as Category 4 includes but is not limited to data protected by: the Health Insurance Portability and Accountability Act (HIPAA), Pub. L. 104-191 as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH), 45 CFR Parts 160 and 164; the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. §1232g; 34 CFR Part 99; Internal Revenue Service Publication 1075 (<https://www.irs.gov/pub/irs-pdf/p1075.pdf>); Substance Abuse and Mental Health Services Administration regulations on Confidentiality of Alcohol and Drug Abuse Patient Records, 42 CFR Part 2; and/or Criminal Justice Information Services, 28 CFR Part 20.
 - e. “Cloud” means data storage on servers hosted by an entity other than the Contractor and on a network outside the control of the Contractor. Physical storage of data in the cloud typically spans multiple servers and often multiple locations. Cloud storage can be divided between consumer grade storage for personal files and enterprise grade for companies and governmental entities. Examples of consumer grade storage would include iTunes, Dropbox, Box.com, and many other entities. Enterprise cloud vendors include Microsoft Azure, Amazon Web Services, and Rackspace.
 - f. “Encrypt” means to encode Confidential Information into a format that can only be read by those possessing a “key”; a password, digital certificate or other mechanism available only to authorized users. Encryption must use a key length of at least 256 bits for symmetric keys, or 2048 bits for asymmetric keys. When a symmetric key is used, the Advanced Encryption Standard (AES) must be used if available.
 - g. “FedRAMP” means the Federal Risk and Authorization Management Program (see www.fedramp.gov), which is an assessment and authorization process that federal government agencies have been directed to use to ensure security is in place when accessing Cloud computing products and services.
 - h. “Hardened Password” means a string of at least eight characters containing at least three of the following four character classes: Uppercase alphabetic, lowercase alphabetic, numeral, and special characters such as an asterisk, ampersand, or exclamation point.

Exhibit A – Data Security Requirements

- i. “Mobile Device” means a computing device, typically smaller than a notebook, which runs a mobile operating system, such as iOS, Android, or Windows Phone. Mobile Devices include smart phones, most tablets, and other form factors.
 - j. “Multi-factor Authentication” means controlling access to computers and other IT resources by requiring two or more pieces of evidence that the user is who they claim to be. These pieces of evidence consist of something the user knows, such as a password or PIN; something the user has such as a key card, smart card, or physical token; and something the user is, a biometric identifier such as a fingerprint, facial scan, or retinal scan. “PIN” means a personal identification number, a series of numbers which act as a password for a device. Since PINs are typically only four to six characters, PINs are usually used in conjunction with another factor of authentication, such as a fingerprint.
 - k. “Portable Device” means any computing device with a small form factor, designed to be transported from place to place. Portable devices are primarily battery powered devices with base computing resources in the form of a processor, memory, storage, and network access. Examples include, but are not limited to, mobile phones, tablets, and laptops. Mobile Device is a subset of Portable Device.
 - l. “Portable Media” means any machine readable media that may routinely be stored or moved independently of computing devices. Examples include magnetic tapes, optical discs (CDs or DVDs), flash memory (thumb drive) devices, external hard drives, and internal hard drives that have been removed from a computing device.
 - m. “Secure Area” means an area to which only authorized representatives of the entity possessing the Confidential Information have access, and access is controlled through use of a key, card key, combination lock, or comparable mechanism. Secure Areas may include buildings, rooms or locked storage containers (such as a filing cabinet or desk drawer) within a room, as long as access to the Confidential Information is not available to unauthorized personnel. In otherwise Secure Areas, such as an office with restricted access, the Data must be secured in such a way as to prevent access by non-authorized staff such as janitorial or facility security staff, when authorized Contractor staff are not present to ensure that non-authorized staff cannot access it.
 - n. “Trusted Network” means a network operated and maintained by the Contractor, which includes security controls sufficient to protect DSHS Data on that network. Controls would include a firewall between any other networks, access control lists on networking devices such as routers and switches, and other such mechanisms which protect the confidentiality, integrity, and availability of the Data.
 - o. “Unique User ID” means a string of characters that identifies a specific user and which, in conjunction with a password, passphrase or other mechanism, authenticates a user to an information system.
2. **Authority.** The security requirements described in this document reflect the applicable requirements of Standard 141.10 (<https://ocio.wa.gov/policies>) of the Office of the Chief Information Officer for the state of Washington, and of the DSHS Information Security Policy and Standards Manual. Reference material related to these requirements can be found here: <https://www.dshs.wa.gov/ffa/keeping-dshs-client-information-private-and-secure>, which is a site developed by the DSHS Information Security Office and hosted by DSHS Central Contracts and Legal Services.
3. **Administrative Controls.** The Contractor must have the following controls in place:
- a. A documented security policy governing the secure use of its computer network and systems, and

Exhibit A – Data Security Requirements

which defines sanctions that may be applied to Contractor staff for violating that policy.

- b. If the Data shared under this agreement is classified as Category 4, the Contractor must be aware of and compliant with the applicable legal or regulatory requirements for that Category 4 Data.
- c. If Confidential Information shared under this agreement is classified as Category 4, the Contractor must have a documented risk assessment for the system(s) housing the Category 4 Data.

4. Authorization, Authentication, and Access. In order to ensure that access to the Data is limited to authorized staff, the Contractor must:

- a. Have documented policies and procedures governing access to systems with the shared Data.
- b. Restrict access through administrative, physical, and technical controls to authorized staff.
- c. Ensure that user accounts are unique and that any given user account logon ID and password combination is known only to the one employee to whom that account is assigned. For purposes of non-repudiation, it must always be possible to determine which employee performed a given action on a system housing the Data based solely on the logon ID used to perform the action.
- d. Ensure that only authorized users are capable of accessing the Data.
- e. Ensure that an employee's access to the Data is removed immediately:
 - (1) Upon suspected compromise of the user credentials.
 - (2) When their employment, or the contract under which the Data is made available to them, is terminated.
 - (3) When they no longer need access to the Data to fulfill the requirements of the contract.
- f. Have a process to periodically review and verify that only authorized users have access to systems containing DSHS Confidential Information.
- g. When accessing the Data from within the Contractor's network (the Data stays within the Contractor's network at all times), enforce password and logon requirements for users within the Contractor's network, including:
 - (1) A minimum length of 8 characters, and containing at least three of the following character classes: uppercase letters, lowercase letters, numerals, and special characters such as an asterisk, ampersand, or exclamation point.
 - (2) That a password does not contain a user's name, logon ID, or any form of their full name.
 - (3) That a password does not consist of a single dictionary word. A password may be formed as a passphrase which consists of multiple dictionary words.
 - (4) That passwords are significantly different from the previous four passwords. Passwords that increment by simply adding a number are not considered significantly different.
- h. When accessing Confidential Information from an external location (the Data will traverse the Internet or otherwise travel outside the Contractor's network), mitigate risk and enforce password and logon requirements for users by employing measures including:

Exhibit A – Data Security Requirements

- (1) Ensuring mitigations applied to the system don't allow end-user modification.
 - (2) Not allowing the use of dial-up connections.
 - (3) Using industry standard protocols and solutions for remote access. Examples would include RADIUS and Citrix.
 - (4) Encrypting all remote access traffic from the external workstation to Trusted Network or to a component within the Trusted Network. The traffic must be encrypted at all times while traversing any network, including the Internet, which is not a Trusted Network.
 - (5) Ensuring that the remote access system prompts for re-authentication or performs automated session termination after no more than 30 minutes of inactivity.
 - (6) Ensuring use of Multi-factor Authentication to connect from the external end point to the internal end point.
- i. Passwords or PIN codes may meet a lesser standard if used in conjunction with another authentication mechanism, such as a biometric (fingerprint, face recognition, iris scan) or token (software, hardware, smart card, etc.) in that case:
- (1) The PIN or password must be at least 5 letters or numbers when used in conjunction with at least one other authentication factor
 - (2) Must not be comprised of all the same letter or number (11111, 22222, aaaaa, would not be acceptable)
 - (3) Must not contain a "run" of three or more consecutive numbers (12398, 98743 would not be acceptable)
- j. If the contract specifically allows for the storage of Confidential Information on a Mobile Device, passcodes used on the device must:
- (1) Be a minimum of six alphanumeric characters.
 - (2) Contain at least three unique character classes (upper case, lower case, letter, number).
 - (3) Not contain more than a three consecutive character run. Passcodes consisting of 12345, or abcd12 would not be acceptable.
- k. Render the device unusable after a maximum of 10 failed logon attempts.
5. **Protection of Data.** The Contractor agrees to store Data on one or more of the following media and protect the Data as described:
- a. **Hard disk drives.** For Data stored on local workstation hard disks, access to the Data will be restricted to Authorized User(s) by requiring logon to the local workstation using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards.
 - b. **Network server disks.** For Data stored on hard disks mounted on network servers and made available through shared folders, access to the Data will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has

Exhibit A – Data Security Requirements

authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on disks mounted to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

For DSHS Confidential Information stored on these disks, deleting unneeded Data is sufficient as long as the disks remain in a Secure Area and otherwise meet the requirements listed in the above paragraph. Destruction of the Data, as outlined below in Section 8 Data Disposition, may be deferred until the disks are retired, replaced, or otherwise taken out of the Secure Area.

- c. **Optical discs (CDs or DVDs) in local workstation optical disc drives.** Data provided by DSHS on optical discs which will be used in local workstation optical disc drives and which will not be transported out of a Secure Area. When not in use for the contracted purpose, such discs must be Stored in a Secure Area. Workstations which access DSHS Data on optical discs must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.
- d. **Optical discs (CDs or DVDs) in drives or jukeboxes attached to servers.** Data provided by DSHS on optical discs which will be attached to network servers and which will not be transported out of a Secure Area. Access to Data on these discs will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on discs attached to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.
- e. **Paper documents.** Any paper records must be protected by storing the records in a Secure Area which is only accessible to authorized personnel. When not in use, such records must be stored in a Secure Area.
- f. **Remote Access.** Access to and use of the Data over the State Governmental Network (SGN) or Secure Access Washington (SAW) will be controlled by DSHS staff who will issue authentication credentials (e.g. a Unique User ID and Hardened Password) to Authorized Users on Contractor's staff. Contractor will notify DSHS staff immediately whenever an Authorized User in possession of such credentials is terminated or otherwise leaves the employ of the Contractor, and whenever an Authorized User's duties change such that the Authorized User no longer requires access to perform work for this Contract.
- g. **Data storage on portable devices or media.**
 - (1) Except where otherwise specified herein, DSHS Data shall not be stored by the Contractor on portable devices or media unless specifically authorized within the terms and conditions of the Contract. If so authorized, the Data shall be given the following protections:
 - (a) Encrypt the Data.
 - (b) Control access to devices with a Unique User ID and Hardened Password or stronger authentication method such as a physical token or biometrics.

Exhibit A – Data Security Requirements

- (c) Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity, if this feature is available. Maximum period of inactivity is 20 minutes.
 - (d) Apply administrative and physical security controls to Portable Devices and Portable Media by:
 - i. Keeping them in a Secure Area when not in use,
 - ii. Using check-in/check-out procedures when they are shared, and
 - iii. Taking frequent inventories.
 - (2) When being transported outside of a Secure Area, Portable Devices and Portable Media with DSHS Confidential Information must be under the physical control of Contractor staff with authorization to access the Data, even if the Data is encrypted.
- h. Data stored for backup purposes.**
- (1) DSHS Confidential Information may be stored on Portable Media as part of a Contractor's existing, documented backup process for business continuity or disaster recovery purposes. Such storage is authorized until such time as that media would be reused during the course of normal backup operations. If backup media is retired while DSHS Confidential Information still exists upon it, such media will be destroyed at that time in accordance with the disposition requirements below in Section 8 *Data Disposition*.
 - (2) Data may be stored on non-portable media (e.g. Storage Area Network drives, virtual media, etc.) as part of a Contractor's existing, documented backup process for business continuity or disaster recovery purposes. If so, such media will be protected as otherwise described in this exhibit. If this media is retired while DSHS Confidential Information still exists upon it, the data will be destroyed at that time in accordance with the disposition requirements below in Section 8 *Data Disposition*.
- i. Cloud storage.** DSHS Confidential Information requires protections equal to or greater than those specified elsewhere within this exhibit. Cloud storage of Data is problematic as neither DSHS nor the Contractor has control of the environment in which the Data is stored. For this reason:
- (1) DSHS Data will not be stored in any consumer grade Cloud solution, unless all of the following conditions are met:
 - (a) Contractor has written procedures in place governing use of the Cloud storage and Contractor attests in writing that all such procedures will be uniformly followed.
 - (b) The Data will be Encrypted while within the Contractor network.
 - (c) The Data will remain Encrypted during transmission to the Cloud.
 - (d) The Data will remain Encrypted at all times while residing within the Cloud storage solution.
 - (e) The Contractor will possess a decryption key for the Data, and the decryption key will be possessed only by the Contractor and/or DSHS.

Exhibit A – Data Security Requirements

- (f) The Data will not be downloaded to non-authorized systems, meaning systems that are not on either the DSHS or Contractor networks.
- (g) The Data will not be decrypted until downloaded onto a computer within the control of an Authorized User and within either the DSHS or Contractor's network.

(2) Data will not be stored on an Enterprise Cloud storage solution unless either:

- (a) The Cloud storage provider is treated as any other Sub-Contractor, and agrees in writing to all of the requirements within this exhibit; or,
- (b) The Cloud storage solution used is FedRAMP certified.

(3) If the Data includes protected health information covered by the Health Insurance Portability and Accountability Act (HIPAA), the Cloud provider must sign a Business Associate Agreement prior to Data being stored in their Cloud solution.

6. System Protection. To prevent compromise of systems which contain DSHS Data or through which that Data passes:

- a. Systems containing DSHS Data must have all security patches or hotfixes applied within 3 months of being made available.
- b. The Contractor will have a method of ensuring that the requisite patches and hotfixes have been applied within the required timeframes.
- c. Systems containing DSHS Data shall have an Anti-Malware application, if available, installed.
- d. Anti-Malware software shall be kept up to date. The product, its anti-virus engine, and any malware database the system uses, will be no more than one update behind current.

7. Data Segregation.

- a. DSHS Data must be segregated or otherwise distinguishable from non-DSHS data. This is to ensure that when no longer needed by the Contractor, all DSHS Data can be identified for return or destruction. It also aids in determining whether DSHS Data has or may have been compromised in the event of a security breach. As such, one or more of the following methods will be used for data segregation.
 - (1) DSHS Data will be kept on media (e.g. hard disk, optical disc, tape, etc.) which will contain no non-DSHS Data. And/or,
 - (2) DSHS Data will be stored in a logical container on electronic media, such as a partition or folder dedicated to DSHS Data. And/or,
 - (3) DSHS Data will be stored in a database which will contain no non-DSHS data. And/or,
 - (4) DSHS Data will be stored within a database and will be distinguishable from non-DSHS data by the value of a specific field or fields within database records.
 - (5) When stored as physical paper documents, DSHS Data will be physically segregated from non-DSHS data in a drawer, folder, or other container.

Exhibit A – Data Security Requirements

b. When it is not feasible or practical to segregate DSHS Data from non-DSHS data, then both the DSHS Data and the non-DSHS data with which it is commingled must be protected as described in this exhibit.

8. **Data Disposition.** When the contracted work has been completed or when the Data is no longer needed, except as noted above in Section 5.b, Data shall be returned to DSHS or destroyed. Media on which Data may be stored and associated acceptable methods of destruction are as follows:

Data stored on:	Will be destroyed by:
Server or workstation hard disks, or Removable media (e.g. floppies, USB flash drives, portable hard disks) excluding optical discs	Using a “wipe” utility which will overwrite the Data at least three (3) times using either random or single character data, or Degaussing sufficiently to ensure that the Data cannot be reconstructed, or Physically destroying the disk
Paper documents with sensitive or Confidential Information	Recycling through a contracted firm, provided the contract with the recycler assures that the confidentiality of Data will be protected.
Paper documents containing Confidential Information requiring special handling (e.g. protected health information)	On-site shredding, pulping, or incineration
Optical discs (e.g. CDs or DVDs)	Incineration, shredding, or completely defacing the readable surface with a coarse abrasive
Magnetic tape	Degaussing, incinerating or crosscut shredding

9. **Notification of Compromise or Potential Compromise.** The compromise or potential compromise of DSHS shared Data must be reported to the DSHS Contact designated in the Contract within one (1) business day of discovery. If no DSHS Contact is designated in the Contract, then the notification must be reported to the DSHS Privacy Officer at dshsprivacyofficer@dshs.wa.gov. Contractor must also take actions to mitigate the risk of loss and comply with any notification or other requirements imposed by law or DSHS.

10. **Data shared with Subcontractors.** If DSHS Data provided under this Contract is to be shared with a subcontractor, the Contract with the subcontractor must include all of the data security provisions within this Contract and within any amendments, attachments, or exhibits within this Contract. If the Contractor cannot protect the Data as articulated within this Contract, then the contract with the subcontractor must be submitted to the DSHS Contact specified for this contract for review and approval.

Exhibit B – Interface Descriptions

Exhibit B – Interface Descriptions

1. Interface Descriptions:
 - a. The following descriptions are made available to provide bidders additional information in estimating the duration, resource and price components of this solicitation. It is anticipated the interface design activities will include further development of the interface requirements.
 - b. AFRS
 - (1) Vendor file from AFRS to STARS
 - (2) Payment transactions from STARS to AFRS
 - (3) Warrant data from AFRS to STARS
 - (4) Information
 - (a) Name: AFRS
 - (b) Technology: Fixed length record
 - (c) Batch: Yes
 - (d) Frequency: Nightly
 - (e) Estimated number of fields: ~35-40
 - (f) Estimated number of records: 440,000
 - c. Daily client registry update in DSHS
 - (1) Identifies DSHS clients served by multiple DSHS divisions.
 - (2) Sent when the participant is eligible
 - (3) Information
 - (a) Name: Daily client registry update in DSHS
 - (b) Technology: Flat Files by FTP
 - (c) Batch: yes (part of fiscal batch)
 - (d) Frequency: daily
 - (e) Estimated number of fields: 39
 - (f) Estimated number of records: 26,000-28,000
 - d. Client services database CSDB

Exhibit B – Interface Descriptions

- (1) Monthly extract
 - (2) Reports service data
 - (3) Information
- (a) Name: Client Services Database
 - (b) Technology: Flat files by FTP
 - (c) Batch: No
 - (d) Frequency: monthly
 - (e) Estimated number of fields: 7 files, estimated 25 per record
 - (f) Estimated number of records: 300 to 28,000 (~45K total)
- e. Quarterly data extract for the employment data monitoring project EDMP
- (1) Post exit employment and wage data for DVR cases closed successfully
 - (2) Information
- (a) Name: Employment Data Monitoring Project (EDMP)
 - (b) Technology: Flat files by FTP
 - (c) Batch: No
 - (d) Frequency: Quarterly
 - (e) Estimated number of fields: 1 file; 26 fields
 - (f) Estimated number of records: 1,800-2,000
- f. Weekly with social security administration
- (1) Benefits match process
 - (2) Part of existing DSHS agreement with SSA
 - (3) SSA reimburses DVR for cases that close successfully
 - (4) Send SSNs on Thursdays and comes back on Saturday and posts back into STARS
 - (5) Amount for SSDI and SSI
 - (6) Information
- (a) Name: SSA SSI/SSDI Benefits Matching

Exhibit B – Interface Descriptions

- (b) Technology: Flat files by FTP
- (c) Batch: Yes
- (d) Frequency: Weekly
- (e) Estimated number of fields: 1 file
- (f) Estimated number of records: ~115,000

g. Developmental Disability Administration

- (1) Daily match client exchange
- (2) Submit to see if DDD data matches with DVR client data
- (3) Use SQL Views
- (4) Info for Vendors

- (a) Name: DDA-DVR Client Match
- (b) Technology: SQL Server View
- (c) Batch: Yes
- (d) Frequency: Daily
- (e) Estimated number of fields: 25
- (f) Estimated number of records: 1,500-1,800

h. ESD

- (1) Quarterly match process to gather quarterly wage data
- (2) SFTP
- (3) Excel file sent and data returned
- (4) Report post exit wage data
- (5) New WIOA will be required for 2nd and 4th quarter
- (6) Info for Vendors

- (a) Name: ESD Quarterly Wage Matching
- (b) Technology: FTP & SQL
- (c) Batch: No
- (d) Frequency: Quarterly

Exhibit B – Interface Descriptions

- (e) Estimated number of fields: 2
- (f) Estimated number of records: 85,000-90,000

i. ESD – WOTC

- (1) Client match for workforce opportunity tax credit
- (2) Run ad hoc
- (3) SFTP
- (4) Uploads into a database and perform a client match
- (5) Information

- (a) Name: WOTC Client Match
- (b) Technology: FTP & SQL
- (c) Batch: No
- (d) Frequency: Bi Monthly, fallen off in the last few months
- (e) Estimated number of fields: 10
- (f) Estimated number of records: ~150, will change depending on if report is requested regularly

j. ESD – ETO

- (1) Downloads from a portal in CSV
- (2) Uploads into system – SQL
- (3) Creates reports, save as PDFs and store on a folder
- (4) Currently upgrading the system to PowerBI
- (5) Quarterly
- (6) Information

- (a) Name: ETO
- (b) Technology: SQL & Data Portal
- (c) Batch: No
- (d) Frequency: Quarterly
- (e) Estimated number of fields: 31

Exhibit B – Interface Descriptions

(f) Estimated number of records: 100,000+

k. EMIS

(1) Performance reporting

(2) Sent 16th of every month

(3) Update manually and send to point of contact at RDA at DSHS

(4) Information

(a) Name: EMIS

(b) Technology: SQL

(c) Batch: No

(d) Frequency: Monthly

(e) Estimated number of fields: 99

(f) Estimated number of records: One row per month of totals. I.E. Total applications for the month and so on.

l. State Board for Community and Technical Colleges (SBCTC)

(1) Education records for post exit federal reporting

(2) Information

(a) Technology: SFTP & SQL

(b) Batch: No

(c) Frequency: Quarterly

(d) Estimated number of fields: 1 file

(e) Estimated number of records: ~20,000 records

m. Workforce training and educational coordination board – WTECB

(1) Annual data extract

(2) VR client and service data

(3) Information

(a) Name: WTECT Extract

(b) Technology: SQL & SFTP

Exhibit B – Interface Descriptions

- (c) Batch: No
- (d) Frequency: Annual
- (e) Estimated number of fields: 1 file
- (f) Estimated number of records: ~4,500

n. WIOA

(1) Department of Services for the Blind (DSB)

(2) WIOA ID

(a) Reconcile WIOA ID and see if clients are shared by DSB and DVR

(b) If a conflict, use the application date (who entered first)

(3) Information

(a) Name: Quarter DSB Matching

(b) Technology: SFTP & SQL

(c) Batch: No

(d) Frequency: Quarterly

(e) Estimated number of fields: 1 file

(f) Estimated number of records: ~2,000

2. Integration Diagram

- a. The following diagram is included to provide bidders with additional information regarding the relationships to the agency's existing solution and other systems.

Exhibit B – Interface Descriptions

DVR STARS System Integration

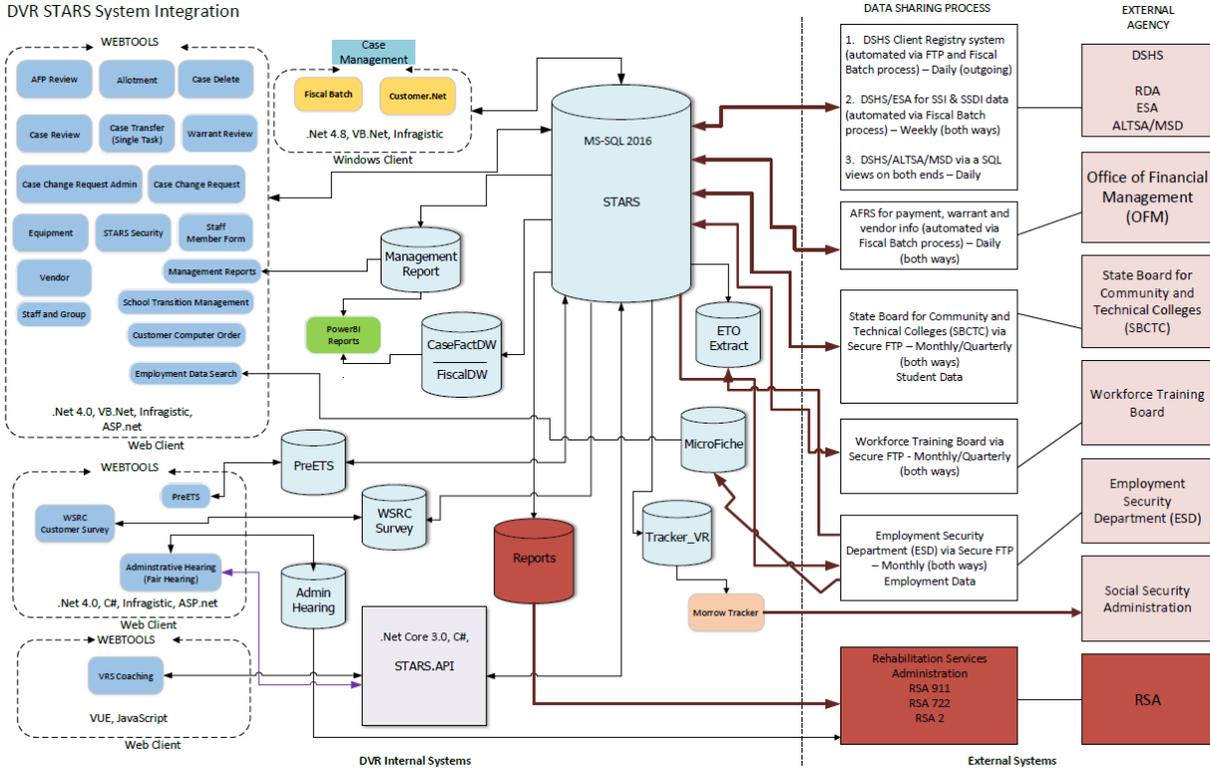


Exhibit C – Mandatory COVID-19 Safety Measures

 <p style="margin: 0;">Washington State Department of Social & Health Services</p>	<p>Mandatory COVID-19 Safety Measures</p> <p>Exhibit C</p>	<p>DSHS Contract Number:</p> <p>Contractor Contract Number:</p>
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1. On February 29, 2020, Governor Inslee issued Proclamation 20-05, proclaiming a State of Emergency for all counties throughout the state of Washington as a result of the coronavirus disease 2019 (COVID-19) outbreak in the United States.

2. Governor Inslee and Secretary of Health Wiesman announced a statewide mandatory face covering order that went into effect on June 26, 2020. When more Washingtonians wear face coverings in public the combined effect can greatly reduce transmission of COVID-19 from person to person, saving lives and helping us open the economy safely and wisely. This mandatory guidance is detailed in three orders and applies to the entire state of Washington.

3. The three face covering orders are:
 - (a) The workplace order: Washington employers are required to ensure workers are wearing face coverings at work in almost all situations. Employers must provide face coverings if workers do not have them; employers are responsible to comply with this order, and the Department of Labor & Industries enforces it.

 - (b) The general public order: This order from the secretary of health requires Washingtonians, with some exceptions, to wear face coverings in public spaces (indoors in most situations, and outdoors when proper physical distancing can't be maintained). People are individually responsible to comply with this order; and

 - (c) The governor's order for customers in businesses: This order from Governor Jay Inslee says businesses cannot allow customers to enter their premises without face coverings. Other accommodations can be offered for customers who cannot wear masks. Businesses, with the help of local law enforcement if needed, are responsible to comply with this order.

 - (d) The Contractor acknowledges they are responsible for complying in full with any new orders or modifications to the existing orders listed above concerning safe conduct with respect to COVID-19.

4. The Contractor acknowledges that COVID-19 is an event beyond the parties' reasonable control and it is not possible to foresee (or advisable to try and foresee) its duration, impact or extent (including measures and recommendations that may be put in place by regulators). Where work takes place within Washington state, the Contractor must follow all regulatory measures and recommendations as set forth by state officials, including those requiring personal protective equipment (PPE) to reduce the spread of COVID-19.

5. Additionally, where a party's non-monetary obligations are not performed, affected, and/or delayed and that is attributable to COVID-19 or its related impacts, notwithstanding any other provision in this Contract, the affected party will not be responsible for such non-performance, affected performance or delay. This clause shall not be used to excuse performance where the health or safety of a DSHS client are implicated, and it is understood those services are vital and must be performed.

6. Where COVID-19 impacts should result in non-performance or partial-performance under the Contract any corresponding monetary obligations by DSHS would be excused or adjusted pro-rata until such

Exhibit C – Mandatory COVID-19 Safety Measures

time as the required performance is completed or continues. The parties will act reasonably to discuss the affected obligations, potential workarounds and related issues in good faith and will document any agreed changes to this Contract in accordance with the Contract Change Order or Amendment process set forth in this Contract.

Sample Contract

Exhibit D – Information Security Standards Manual



Exhibit D DSHS ISO
ISSM Revision 16.pd

Sample Contract

Exhibit E – Statement of Work & Service Level Agreement

1. **Statement of Work.** The Contractor shall provide the services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

a. (MS) Project Management Services

DSHS has completed initial high-level project planning. The project scope is defined, constraints and assumptions have been captured, project governance has been established and the preliminary project schedule has been developed. The high level planning to date has been captured in the project plan. As one of the first contract deliverables, DSHS will work with the Contractor to review the project plan to bring the Contractor up to speed on the project and make adjustments to the plan as necessary.

b. Proposed Project Schedule

The Contractor shall understand DVR's constraints described in (1) and (2) s described below. The Contractor must discuss the feasibility of meeting the estimated timeframes for DVR's proposed implementation.

The Contractor is welcome and encouraged to propose additional methodologies, schedules, and options that enable DSHS to reduce the cost of the implementation while achieving the highest quality solution. The project schedule should incorporate the following constraints:

- (1) The project will not begin prior to 2/01/2021.
- (2) The expected initial project duration is 18 months.

c. Deliverables:

- (1) Contractor submits Project Schedule and Work Breakdown Structure (WBS) in Microsoft Project approved by DSHS.
- (2) Contractor shall:
 - (a) Develop a joint project schedule with the Agency Project Manager.
 - (b) Be responsible for presenting a preliminary schedule to the Agency Project Manager.
 - (c) Develop a joint Work Breakdown Structure (WBS) with the Agency Project Team, documenting WBS items and ensuring all tasks are represented within the project schedule.
 - (d) Create detailed WBS for each iteration and get Agency's approval.

d. Proposed Project Implementation Plan

- (1) The Contractor shall develop a detailed project implementation plan covering all the phases and project components and their milestones jointly with the Agency Project Manager within 30 days of the contract start date. Agency requires that project planning for all the project components is documented and approved before completed.

(2) Deliverables:

- (a) Contractor submits a Project Implementation Plan within 30 days of the contract start date that is approved by DSHS.

Exhibit E – Statement of Work & Service Level Agreement

(3) Contractor shall:

- (a) Review previously approved charter with Project Team.
- (b) Review previously approved project plan with Project Team.
- (c) Make recommendations as necessary.
- (d) Create and update project implementation plan.

e. (MS) Implementation Services

(1) The Contractor shall provide the following services for all iterations of the project.

2. Requirements, Analysis, and Design Services

a. The Contractor shall perform requirements, analysis, and design services to accomplish the scope of the desired solution.

(1) During initial project planning, the Contractor will create a high-level design and architecture for the full project. The Contractor will then refine the design before configuration of the solution begins.

b. Requirements and Analysis

(1) The Agency has documented requirements and business processes. The Contractor shall review the documented requirements and business processes, and confirm or elaborate on them before using in design work. The Contractor is encouraged to recommend business process improvements that will help align Agency with known industry best practices or may be necessary to avoid or minimize customization.

(2) Deliverables:

- (a) Contractor submits Business Requirements Documents (BRD) for the solution functionality approved by DSHS.
- (b) Contractor submits recommendations for business process improvements.
- (c) Contractor identifies and documents gaps of functionality (agency requirements not met by the solution functionality)
- (d) Contractor submits proposed customizations to be approved or rejected by DVR.

(3) Contractor will:

- (a) Review requirements collected to date by Agency; with assistance from Project Manager, clarify and elaborate all business and technical requirements about configuration needed.
- (b) Create BRD.
- (c) Review and document current state business processes.
- (d) Recommend business process improvements for future state processes using the identified

Exhibit E – Statement of Work & Service Level Agreement

solution. This includes documenting the future state processes.

(e) Develop a list of proposed customizations.

c. Design Services

(1) The Contractor shall recommend and implement design solutions that meet Agency business needs. The design services will cover conceptual and physical architecture, functional and technical design.

(2) The design solutions must minimize customization and utilize the core functionality of the solution. If requested functionality cannot be achieved with core functionality, the Contractor shall present design options to DSHS for approval.

(3) Deliverables:

(a) Contractor submits conceptual and physical architecture and design documents for overall design and all iterations functionality.

(b) Contractor submits functional and technical design documents for the scope of solution functionality described in Section A Number 3 of solicitation document, and for each system integration described in Exhibit B of this document.

(c) Contractor submits updated list of proposed customizations (if necessary).

(4) Contractor will:

(a) Create and update overall architecture and design documents.

(b) Update proposed customizations list as necessary

3. System Integration Services

a. DSHS desires to integrate the new solution with existing State of Washington and DSHS systems as identified in Exhibit B of this document.

b. DSHS requires access to data in the bidder's solution using methods described in Exhibit B of this document. Integrations must be made available from each solution environment.

c. DSHS requires the solution to follow the API-First Principle, meaning prior to any user interface being built, the solution has a programming interface developed that performs the functions that meet the business need. With that functionality available, any user interface (web, mobile, desktop, etc.) can access the exact same function programmatically. The intent is to simplify the development of new ways of working within the system, with less cost and less risk while maintaining consistency and reusability in the functions that create system value.

d. Deliverables:

(1) Contractor submits system integration plans, including security, and design documents for each system integration point defined in Exhibit B of this document.

(2) Contractor submits Guidance on best approaches and recommendations for best practices and tools for system integration.

Exhibit E – Statement of Work & Service Level Agreement

- (3) Contractor documents system integration points and associated configurations in solution.
- (4) Contractor establishes test environment(s) and receives DSHS approval.
- (5) Contractor completes testing of the new solution according to the exit criteria established in the testing plan.
- (6) Contractor completes testing with other systems according to the exit criteria established in the testing plan.

e. Contractor shall:

- (1) Create and update system integration design and implementation plan.
- (2) Recommend best practices and tools for system integration adopting the API-First Principle.
- (3) Confirm business rules and requirements defined by DSHS for each system integration point.
- (4) Provide strategy for data integration, business process adoption, and system modifications for each system.
- (5) Create design document for each required system integration point based on approved requirements.
- (6) Recommend and present to DSHS for approval security access controls for integration points.
- (7) Implement recommended security access controls.
- (8) Coordinate and ensure successful system integrations.
- (9) Define required data inputs for system integration.
- (10) Create test environment for system integration.
- (11) Perform testing within new solution.
- (12) Document system integration points and associated configurations in new solution.

f. DSHS will:

- (1) Modify other systems that need to be integrated with, using integration design by bidder.
- (2) Perform testing of other systems.

4. Security Integration Services

a. Security Integration for Authentication Services

- (1) DSHS has implemented Enterprise Active Directory (EAD) for internal users' authentication. The single sign-on strategy is to minimize the establishment of multiple user stores for application authentication. The new solution must use EAD for internal user access.
- (2) The Contractor shall design and implement security authentication services to comply with

Exhibit E – Statement of Work & Service Level Agreement

Agency and Washington State policies and requirements.

b. Deliverables:

(1) Contractor submits security integration design document.

c. Contractor shall:

(1) Create security integration design document that complies with all integration requirements.

(2) Implement security integration pursuant to approved design document.

d. Security Integration for Authorization Services

(1) The new solution must meet DSHS security business needs for authorizing role based security features and functions.

(2) The Contractor will implement system configurations to meet DSHS security business needs and to make recommendations about security authorization design for ease of support and maintenance by business system administrators.

e. Deliverables:

(1) Contractor submits security authorization design document.

f. Contractor shall:

(1) Create security authorization design document that meets access requirements defined by DSHS.

(2) Implement security authorization pursuant to approved design document.

5. Configuration Services

a. The new solution must be configured in accordance with DSHS specifications and requirements as designed in the approved design documents.

b. DSHS desires to use the standard configurations for the new solution. However, the Contractor must recommend any additional configurations or monitoring that would be beneficial to meet DSHS requirements.

c. Deliverables:

(1) Contractor configures new solution to meet DSHS needs in approved design documents.

(2) Contractor submits configuration design documentation.

(3) Contractor submits updated architecture document, if applicable.

(4) Contractor submits business process improvement recommendations.

d. Contractor shall:

Exhibit E – Statement of Work & Service Level Agreement

- (1) Create configuration design documents.
- (2) Review configuration designs with DSHS, i.e., configuration design reviews.
- (3) Obtain approval for configuration design documents.
- (4) Configure functionality in the new solution based on approved design documents.
- (5) Update design and overall architecture documents, as necessary.
- (6) Recommend business process improvements.

6. Testing Services

- a. Contractor will recommend and write a comprehensive test plan. DSHS will provide input to, and give final approval of, the test plan. The test plan should address at minimum:
 - (1) unit testing,
 - (2) user acceptance testing (UAT),
 - (3) regression testing, and
 - (4) integration testing.
- b. Test cases may be added, removed, or elaborated further during the planning, analysis, and design of iterations.
- c. Deliverables:
 - (1) Contractor submits overall test plan
 - (2) Contractor submits defect tracking & defect resolution process
 - (3) Contractor submits documented results for unit testing per iteration
 - (4) Contractor submits documented results for integration testing
 - (5) Contractor submits documented results for regression testing
- d. Contractor shall:
 - (1) Create overall test plan.
 - (2) Develop defect tracking and resolution process with Agency.
 - (3) Perform tester training on the new solution.
 - (4) Assist in defect identification and documentation.
 - (5) Perform defect resolution for defects as identified and prioritized by DSHS.
 - (6) Perform unit testing of the configuration.

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- (7) Document unit test results.
 - (8) Monitor UAT.
 - (9) Create regression testing scripts.
 - (10) Perform regression testing when changes warrant regression testing.
 - (11) Document regression test results.
 - (12) Create integration test scripts.
 - (13) Perform integration testing within the new solution.
 - (14) Document integration testing results.
- e. DSHS will:
- (1) Validate defect resolution.
 - (2) Create UAT test scripts.
 - (3) Facilitate UAT sessions and perform UAT.
 - (4) Document UAT test results.
 - (5) Provide integration test cases for systems that will integrate with the new solution.
 - (6) Perform integration testing with the other systems.
 - (7) Document integration testing with other systems results.

7. Deployment and Technical Environment Services

- a. Environments and Deployment Processes
 - (1) Contractor will provide a development, testing, training and production environment. The environment must meet the following requirements:
 - (a) Ability for DSHS to validate changes, or configurations to the proposed solution.
 - (b) Configurations and changes are transitioned to production in a controlled way through environment management. No changes can be done directly in production.
 - (c) During implementation, DSHS staff will be trained on the use of the solution prior to go live. Training sessions cannot be affected by ongoing development/configuration tasks.
- b. Contractor shall analyze and recommend environment requirements. This analysis should include consideration to the quantity of non-production environments required to meet the requirements listed above. DSHS commonly utilizes Development, Test, Production, and Training environments.
- c. Contractor will advise DSHS on future scaling options and considerations as the system use increases.

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d. Deliverables:

- (1) Contractor submits environment management and deployment plan that aligns with DSHS requirements.
- (2) Contractor submits recommendations for environments and system scaling.

e. Contractor shall:

- (1) Recommend environments and system scaling.
- (2) Create environment management plan.
- (3) Create environments.
- (4) Create a deployment processes plan.
- (5) Deploy changes/configurations in a controlled way.

8. Go Live

- a. Contractor will provide a go live assessment plan and activities plan. The purpose of the plan is to identify and assess readiness for transition to production, and to document planned activities for going live. DSHS may identify additional readiness criteria at any time.
- b. The new solution must be compliant with OCIO policy and oversight requirements prior to go live. DSHS will provide the Contractor with an estimated go-live date to assist with planning.

c. Deliverables:

- (1) Contractor submits go live assessment and activities plan.
- (2) Contractor deploys new solution to production based on approved plan.

d. Contractor shall:

- (1) Create the go live assessment and activities plan.
- (2) Deploy to production based on plan.
- (3) Complete activities as identified in the plan.

e. DSHS will:

- (1) Complete activities as identified in the plan.
- (2) Provide the Contractor with an estimated go-live date and adjust the date if both parties deem it necessary.

9. Data Migration Services

- a. Contractor will provide data migration services from legacy systems to the new solution as described in section 5E, Data Conversion Pricing of Attachment D (row 339).

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b. Deliverables:

- (1) Contractor submits data migration plans for each data store described in Section 5E, Data Conversion Pricing of Attachment D (row 339).
- (2) Contractor submits recommendations for tools and processes for data migration.
- (3) Contractor submits recommendations for tools and processes for data cleanup.
- (4) Contractor completes data migration according to the approved plans.

c. Contractor shall:

- (1) Confirm requirements provided by DSHS for each data migration set.
- (2) Provide strategy and plan for data migration, business process adoption, and system transition for each system.
- (3) Provide templates, data field crosswalks, or models to follow to align Agency's existing data with the structure of the new solution.
- (4) Provide guidance on best approaches and recommend best practices and tools for data migration and data cleanup.
- (5) Provide automated data cleanup where possible for each system.
- (6) Facilitate data migration design and implementation for each system.
- (7) Import all cleaned data into the new solution.
- (8) Coordinate and ensure successful data migration.
- (9) Recommend tools and processes for data migration.
- (10) Recommend tools and processes for data cleanup.
- (11) Update design and overall architecture documents, as necessary.

d. DSHS will:

- (1) Determine what data cleanup must be done before migration.
- (2) Perform non-automated data cleanup.
- (3) Validate all data cleanup.

10. Training, Knowledge Transfer, and Documentation Services

a. Training

- (1) DSHS business staff must be trained in using the new solution to complete their business processes in the project scope, and to have the appropriate level of documentation for future reference. Training in product usage and configuration options will be the key to achieving a

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smooth transition for end users of commercially available software solutions. DSHS wants to utilize configurable system help available in the new solution. The system training should incorporate both this in-system help and materials outside of the system.

- (2) The Contractor will recommend and implement training approaches to meet Agency's training needs for these users. The training materials and approaches should address Agency-specific configurations.
- (3) The Contractor will provide a course outline and description for each of the following types of training, including a description of the delivery method and proposed schedule for types of training:
 - (a) **Business Configuration Specialists/Administrators** will be responsible for business process configuration and support as appropriate. The training will give them the knowledge and skills necessary to successfully support the proposed solution without the on-going assistance from the bidder.
 - (b) **Super (Power) Users** will be expected to provide all post project user training and perform as the first level helpdesk for the proposed solution.
 - (c) **End Users** will be expected to use the product for their business processes. DSHS intends to train these users.

b. Deliverables:

- (1) Contractor submits training plan for all user groups.
- (2) Contractor completes training sessions for each user group according to approved plan.

c. Contractor shall:

- (1) Prepare training plan & training materials and schedule.
- (2) Perform training.

d. DSHS will:

- (1) Schedule training sessions, coordinating with Contractor as necessary.

11. Knowledge Transfer (KT)

- a. Knowledge transfer of product information and configurations used to implement the new solution will be the key to achieving a smooth transition to support. DSHS intends to ensure that DSHS Configuration Specialists and Technical System Administrators are fully knowledgeable regarding the configurations done in the new solution and other related support methods needed, e.g., migration or integration.
- b. DSHS's Technical System Administrators will be responsible for maintenance and operations, and technical support of the software solution. The knowledge transfer will give them the knowledge and skills necessary to successfully support the proposed solution without the on-going assistance from the Bidder.
- c. DSHS Configuration Specialists will be responsible for business system configurations and should

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be included in knowledge transfer plans.

- d. The Contractor will recommend and implement knowledge transfer approaches to meet DSHS's KT needs. This may include, but not be limited to: Just in Time (JIT) experiences as issues occur and configurations are completed with side by side changes by bidder observed by DSHS staff.
- e. Deliverables:
 - (1) Contractor submits KT plans for all groups DSHS establishes during the course of the project.
 - (2) Contractor completes KT sessions for all groups DSHS establishes during the course of the project.
- f. Contractor shall:
 - (1) Prepare KT plan.
 - (2) Work with the Project Team to create a mutually agreed upon KT Plan for providing the appropriate effective and efficient knowledge transfer to relevant support staff, including Configuration Specialists and Technical System Administrators.
 - (3) Conduct configuration review sessions with DSHS technical or business system administrator staff.
 - (4) Prepare and conduct KT sessions.

12. Documentation on System Configurations

- a. Contractor must comprehensively and accurately document how the system has been configured to meet DSHS needs.
- b. Contractor will recommend and implement additional documentation artifacts or tools that would be beneficial to meet DSHS documentation needs.
- c. Deliverables:
 - (1) Contractor submits documentation plan for all system configurations
 - (2) Contractor submits documentation for all system configurations
- d. Contractor shall:
 - (1) Create documentation plan.
 - (2) Create documentation for all system configurations.

13. Maintenance and Ongoing Support Services

- a. HyperCare
 - (1) After go live, Contractor will provide HyperCare support to assist Agency with support until the solution and processes are ready for transition to operations. The focus of HyperCare is the system stabilization that occurs after Go-live. HyperCare should address customer support, data

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integrity, system availability and stability.-

- (2) Contractor and DSHS will establish a command center on-site that will include DSHS and Contractor resources. DSHS will establish a defined set of key performance indicators (KPI) to assist in determining when DSHS is ready to transition to a routine maintenance and operations model.

b. Deliverables:

- (1) Contractor submits HyperCare plan
- (2) The new solution is ready to transition to routine maintenance according to KPIs established by DSHS.

c. Contractor shall:

- (1) Develop HyperCare plan jointly with DSHS that outlines issue severity levels, response times, and Contractor's HyperCare resource(s).
- (2) Upon go-live, provide immediate support (HyperCare) to assist DSHS until the solution and processes are ready for transition to traditional maintenance and operations according to KPIs established by DSHS.
 - (a) Provide an on-site staff person for the duration of the HyperCare period. While Agency's preference is on-site, remote attendance options may be negotiated.
 - (b) Identify Contractor's HyperCare resource(s) and present to Agency for approval.
 - (c) Participate in defect management huddles daily, weekly, or other frequency as identified by Agency.
- (3) DSHS will:
 - (a) Establish a set of KPIs.

14. Ongoing Support Services

- a. DSHS will require support from the Contractor for a period of time until DSHS can support the new solution internally. Contractor staff who have intimate knowledge of DSHS's configuration will provide support to DSHS support staff for providing ongoing support, maintenance, and corrections as needed.
- b. Prior to moving to maintenance and ongoing support, DSHS must provide written final acceptance of the system and HyperCare has ended.
- c. DSHS may request the Contractor to provide technical support that is readily accessible via telephone, web, or on-site support. The implemented solution will be a critical system for DSHS; therefore, the availability of business, technical, and configuration implementation support is very important.
- d. The maintenance and operations plan should observe the severity levels identified in Exhibit E.15. Defect and Issue Identification. The Contractor will negotiate a service level agreement for each severity level with DSHS and incorporate the agreement into the maintenance and operations plan.

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The maintenance and operations plan should also identify issue escalation procedures for issues that cannot be resolved by either party individually or both parties jointly.

e. Deliverables:

- (1) Contractor submits Maintenance and Operations Plan.
- (2) Contractor completes transition to Maintenance and Operations
- (3) Contractor provides 2 months of Implementation and Technical Support

f. Contractor shall:

- (1) Develop a transition to maintenance and operations plan.
- (2) Propose service level expectations for each severity level.
- (3) Develop an issue escalation procedure.
- (4) Provide implementation support for 2 months after HyperCare, to ensure the solution performs to acceptable standards around program and federal reporting.
- (5) Provide ongoing technical support for 2 months after HyperCare to selected DSHS technical staff on configuration and maintenance of the software.

g. DSHS will:

- (1) Maintain and support the solution with bidder support.

15. Defect and Issue Identification

a. DSHS requires that defects and issues that arise during implementation and after are tracked and can be reported on. DSHS will own and require access to the defect and issue tracking data during the implementation and beyond. Contractor will work with DSHS to identify defects and issues and select the appropriate mechanism for tracking those items, i.e., tools and processes.

b. Severity levels are defined as follows:

- (1) Severity Level One: If the defect, issue, or malfunction is preventing day-to-day normal user access to data from or input to the new solution.
- (2) Severity Level Two: The system is up but not functioning at "normal" capacity. A major function is not available and it is affecting a significant number of users. No acceptable workaround is available; however, business operations can continue in a restricted fashion.
- (3) Severity Level Three: If the error or malfunction is materially impairing the functionality of the solution, but is not preventing day-to-day normal user access to data from or input to the new solution.

c. The severity level of a defect or issue shall be ultimately determined and assigned by DSHS.

d. Deliverables:

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- (1) Contractor submits recommendation for a tracking mechanism.
 - (2) Defect and issue tracking.
 - (3) Defect and issue reporting.
 - (4) Contractor resolves assigned defects and issues.
- e. Contractor shall:
- (1) Recommend appropriate mechanism for tracking defects and issues.
 - (2) Assist Agency with the identification of defects and issues.
 - (3) Assist Agency with the identification of interface or integration defects and issues.
 - (4) Remediate defects and issues within the new solution, both configuration and integration issues.
 - (a) Bidder is not responsible for remediating an interface or integration issue unless the defect or issue is with the new solution.
- f. DSHS will:
- (1) Approve the tracking mechanism.
 - (2) Provide final classification of a specific issue or defect's severity level.
 - (3) Work with the bidder to identify defects and issues.
 - (4) Remediate defects and issues in external systems that interface with the new solution.
- g. (MS) Hosting and Application Management Services
- (1) DSHS requires hosting and management of services that allow for configuration management, data storage and management, system recovery, tools for monitoring/alerting, capacity management, performance management and metrics reporting.
 - (2) Hosting and management services must meet agency established standards and security policy. DSHS prefers the use of Microsoft Technologies.
- h. Hosting Services
- (1) DSHS requires hosting services for both application and data storage that meets both DSHS and state requirements and policy.
 - (a) Deliverables:
 - i. Contractor provides host environment that meets the following requirements:
 - ii. Host environment is within the continental United States
 - iii. Ensure no data is shared with third party without a valid data sharing agreement with the agency

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- iv. Contractor secures all instances of servers and limits access to authorized individuals.
 - v. Contractor performs data and security management activities in compliance with the Agency and State Security standard as well as the standards and requirements defined in section 5.15 of the **DSHS Information Security Standards Manual (ISSM), which is incorporated by reference as Exhibit D.**
- i. Contractor shall:
- (1) Provide a cloud environment for DSHS.
 - (2) Provide activities (or validated activities) related to installation, configuration, and maintenance of environments.
 - (3) Provide documentation of server instances.
 - (4) Setup and Manage the Operating System environment, in accordance with the Supplier's baseline standards (a set of administrative Security guidelines that maintain a high level of Security at an organizational and technical level).
 - (5) Perform (or validated) all operating system maintenance and updates.
 - (6) Train DSHS in system administration and environment if requested.
 - (7) Monitor system performance and address issues.
 - (8) Plan, implement and manage capacity changes.
 - (9) Ensure service level standards are met.
- j. DSHS will:
- (1) Manage the agency connectivity to the cloud environment.
 - (2) Participate in troubleshooting issues related to performance.
 - (3) Provide agency and state policies and requirements related to hosting, security and data management.

16. Backup/Restore and Disaster Recovery Services

- a. The new solution must operate effectively without excessive interruption. The contractor will establish comprehensive procedures to recover quickly and effectively following a service disruption.
- b. Deliverables:
 - (1) The new solution provided by the Contractor meets the following requirements:
 - (a) The new solution backs up data in the system every hour, or more frequently to an alternate location.
 - (b) The system must be recoverable, with no data loss, within 24 hours or less of an

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unexpected outage.

- c. The Contractor submits a disaster recovery plan that consists of the following phases:
 - (1) Activation and Notification phase to activate the plan and determine the extent of damage;
 - (2) Recovery phase to restore operations; and
 - (3) Reconstitution phase to ensure that is validated through testing and that normal operations are resumed.
 - (4) Contractor completes testing of disaster plan and DSHS confirms that it meets DSHS requirements.
- d. Contractor shall:
 - (1) Provide a disaster recovery plan establishes procedures to recover following a service disruption and maximize the effectiveness of contingency operations.
 - (2) Provide testing of the disaster plan.
- e. DSHS will:
 - (1) Identify the activities, resources, and procedures to carry out processing requirements during prolonged interruptions to normal operations.
 - (2) Assign responsibilities to designated DSHS personnel and provide guidance for recovering during prolonged periods of interruption to normal operations.
 - (3) Ensure coordination with other personnel responsible for contingency planning strategies. Ensure coordination with external points of contact and vendors associated and execution of this plan.

17. Data Management and Administration Services

- a. DSHS requires the Contractor to provide database management and administrative services for its data and data storage environment. The Contractor will ensure that services include data governance, data quality management, data migration, data extraction, data integration, and data security.
- b. Agency is the owner of the system data and prefer administrating it.
- c. Deliverables:
 - (1) Contractor submits data governance strategies and policies describing user roles, rights and responsibilities as well as data-related standards and metrics.
 - (2) Contractor submits documentation describing data quality management processes to ensure that data is trusted, processes are in place to eliminate duplicated, incomplete, erroneous or obsolete data.
 - (3) Contractor submits documentation describing data integration process and documented flow ensure now how to unite flows from disparate data sources.

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- (4) Contractor submits data migration plan.
- (5) Contractor implements data extraction for the new solution to retrieve data from multiple sources.
- (6) Data in the new solution is secure, encrypted, and only authorized users have access to it.

d. Contractor shall:

- (1) Develop and ensure data governance strategies and policies are implemented within the system.
- (2) Develop and provide tools to ensure that system has data quality management processes in place.
- (3) Develop and document data integration flow.
- (4) Develop a data migration plan.
- (5) Ensure data migration from Agency's current system is assessed to identify sensitive and critical data, migration process minimize mistakes, and verify its results to ensure that no data was lost.
- (6) Develop and implement data extraction process and plan to retrieve data from multiple sources.
- (7) Apply best practices, DSHS standards, and policy in securing the data.
- (8) Develop and provide to the agency a data dictionary and design document for databases.

e. DSHS will:

- (1) Assist in the data migration plan and process.
- (2) Provide data integration points.
- (3) Provide vendor with agency's data security standards and policies.
- (4) Ensure coordination with other personnel responsible for security strategies and plan.
- (5) Ensure coordination with external points of contact and vendors associated and execution of this plan.

18. Application Performance

a. The Contractor will provide monitoring and management of performance of the software application to optimize and monitor the performance of user experience.

b. Deliverables:

- (1) The new solution provided to DSHS meets the following baseline performance standards:
 - (a) The system must support a minimum of 350 concurrent sessions.
 - (b) The system must complete transactions without noticeable delay (2 seconds or less in

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optimum condition) so that on-line access from anywhere will display the most up to date data.

(2) The Contractor monitors and optimizes the application on an ongoing basis to support/improve baseline performance.

c. Contractor shall:

(1) Provide DSHS with application management.

(2) Perform basic server monitoring and metrics like CPU, memory, disk read/writes

(3) Application event logs and notifications

(4) Number of active instances

(5) Error rates, response times, and request rates

d. DSHS will:

(1) Track application metrics to ensure application is performant under maximum usage and maintain a single source of truth.

19. Monitoring and Performance Management Services

a. The Contractor will provide tools and services that monitor and performance of the system to allow for flexibility, efficiency and scalability.

b. Deliverables:

(1) Tools for monitoring, maintaining, and manage system performance.

c. Contractor shall:

(1) Provide standardize tools and reports concerning system performance.

(2) Provide a dashboard for system performance.

d. DSHS will:

(1) Notify when there is a degradation of system within agreed upon time period.

20. (MS) Release Management of Upgrades, Versions, Enhancements and Fixes

a. The Contractor will coordinate the development, operations, and deployment of software while ensuring alignment with business priorities, policies, and procedures.

b. Upgrades, enhancements and fixes during the project

(1) The Contractor will provide DSHS with continuous integration and continuous delivery (CI/CD) throughout the life of the project and provide assurance that continuous improvement through tight feedback cycles are implemented during the enhancement, upgrades, and fixes are available for testing.

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c. Deliverables:

- (1) Contractor submits a plan that ensures the agency implements the most up-to-date version of the solution at project completion.

d. Contractor shall:

- (a) Provide DSHS with a testing environment for CI/CD throughout the project.
- (b) Provide DSHS with release notes and deployment plan.
- (c) Coordinate with DSHS personnel responsible for testing and feedback when available.

21. Release Management of Upgrades, Versions, Enhancements and Fixes

- a. The new solution must be current with all business requirements, including state and federal laws and regulations.

b. Deliverables:

- (1) Implement updates to the solution that maintain compatibility with the agency's implementation, including the configuration and interfaces.
- (2) Releases will be planned and coordinated with agency.

c. Contractor shall:

- (1) Provide DSHS with system maintenance and upgrade schedule.
- (2) Provide DSHS with release notes of system changes.
- (3) Coordinate with DSHS personnel responsible for testing and feedback when available.

22. Maintaining compliance with RSA requirements.

- a. The new solution must maintain compliance with all up-to-date RSA reporting requirements and associated federal registers when upgrades, enhancements and fixes are developed.

b. Deliverables:

- (1) The new solution is current with RSA changes as of the required implementation date.

c. Contractor shall:

- (1) Have knowledge of RSA changes and reporting requirements.
- (2) Provide DVR with updates to Federal Reports 90 days prior to effective date.
- (3) Provide change management plan for adoption of changes.
- (4) Provide an updated RSA data checker to ensure report meets RSA changes and requirements.
- (5) Coordinate with personnel responsible for testing and feedback when available.

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23. Service Level Agreement

- a. DSHS requests that the bidder provide the most cost effective service level agreement that meets the agency requirements. DSHS has provided the following section to establish the minimum levels of service. The Contractor is encouraged to improve upon these service levels. Once fully executed by the parties, the service level agreement shall be incorporated into this contract by reference as Exhibit E.
- b. Deliverables:
 - (1) Service level agreement that meets the key requirements of DSHS outlined in this solicitation and through negotiations
 - (2) Description of service credits available to DSHS in the event the Contractor does not meet the service level agreement standards
- c. Contractor shall:
 - (1) Provide a service level agreement with the following minimum requirements:
 - (a) The application is available 99.9% of the time
 - (b) 98% of transactions are completed in 8 seconds or less
 - (c) Application recovery from a disaster recovery restoration is less than 24 hours
 - (d) The agency has a role in defining the severity of reported issues.
 - (e) Resolution of Severity Level One issues is less than 24 hours (or an acceptable work around has been provided)
 - (f) Maintenance and scheduled downtime occur outside of extended business hours (7:00 AM – 7:00 PM).
 - (2) Adhere to the terms of the service level agreement.
- d. DSHS will:
 - (1) Provide information and support to assist bidder in the resolution of issues
 - (2) Perform testing at the request of the bidder to validate service level issues/performance