

**Michigan Staff Augmentation Management Program**  
**Subcontractor Agreement**  
Version 2

THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_ (“Effective Date”), by and between COMPUTER AID, INC., with offices at 3801 Paxton Street, Harrisburg, PA, and Corporate Headquarters at 1390 Ridgeview Drive, Allentown, PA, 18104 (“Contractor”) and \_\_\_\_\_ (“Subcontractor”)

WITNESSETH:

WHEREAS, the Contractor has entered into a contract with the State of Michigan (the "Customer") to provide certain information technology time and materials services under the Michigan Staff Augmentation Management contract 017B6600020 (“Contract”) a copy of which may be viewed at [http://www.michigan.gov/documents/localgov/6600020\\_515777\\_7.pdf](http://www.michigan.gov/documents/localgov/6600020_515777_7.pdf); and

WHEREAS, the Contractor wishes to hire the Subcontractor to perform certain information technology time and materials services on an as-needed basis relating to the Contract with the Customer (such software, including all know-how, trade secrets, copyrights, and patentable inventions relating thereto, being hereinafter referred to collectively as the "Program Materials"); and

WHEREAS, both the Contractor and the Subcontractor desire to set forth in writing the terms and conditions of their agreement, including their respective rights as to the Program Materials.

NOW, THEREFORE, in consideration of the premises hereof and the mutual covenants and conditions hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby agree as follows:

1. Information Technology Services. On the terms and conditions set forth herein, Contractor hereby engages Subcontractor to perform information technology time and materials services for the Project in which the Contractor is engaged with the Customer, during the term hereof, and Subcontractor hereby accepts such engagement. Subcontractor agrees to use its best efforts, at a level consistent with entities having a similar level of experience and expertise in the IT industry, in the performance of the services called for hereunder. Upon selection by Contractor, in its sole discretion, of any one or more Subcontractor Employees, Contractor shall provide required information for each requirement in accordance with the procedures set forth in Exhibit A. Information will include the following:

- (i) the name(s) of the Subcontractor Employee(s) needed by Contractor (each, an “Assigned Employee”);
- (ii) the name and location of the Contractor Customer for which the Assigned Employee shall work;
- (iii) the description of skills requested;
- (iv) the nature of the work to be performed by each Assigned Employee;
- (v) the time period for which Contractor will utilize each Assigned Employee; and
- (vi) the hourly fee which Contractor will pay shall be in accordance with the Rate Schedule in Exhibit B.

1.1 If a Subcontractor employee begins work at Customer, and the Customer determines within 10 business days that the Subcontractor employee does not have the skills or capabilities necessary to complete the job as requested in the original requirement, the Customer may request that the resource be replaced immediately, and Contractor shall not pay for the work conducted by the unacceptable Subcontractor employee.

1.2 The Contract contains service level agreement (“SLA”) requirements that must be met or penalties will be assessed. The SLAs and penalties shall flow down to this contract and

Subcontractor shall be liable for any penalties assessed for failure to achieve these SLAs. The contractual SLA requirements for Subcontractors are incorporated as Exhibit C to this Agreement. The Contract is incorporated herein and made a part hereof.

2. Term of Agreement. The term of this Agreement shall be for the duration of one (1) year. This Agreement will renew automatically for a period of one (1) year at the end of each term unless either party provides written notice to the other party of its desire to terminate the Agreement no less than thirty (30) days prior to the expiration of the preceding term. Subcontractor is a non-exclusive provider to Contractor. Absent the execution of a Statement of Work, this Agreement does not, in and of itself, represent a commitment by Contractor to receive any Services from Subcontractor or pay Subcontractor any fees.

2.1. Notwithstanding any termination of this Agreement, the terms of paragraphs 6, 7, 8, 11 and 12 hereof shall continue in full force and effect.

3. Compliance. The parties hereto acknowledge that the business relationship is between two independent contractors and is not an employer-employee relationship. The Subcontractor warrants and represents that it is a corporation engaged in the business of providing computer consulting/programming services and that it will continue to act as an independent entity notwithstanding any degree of direction or control exerted over its programming activities by the Contractor. Accordingly, the Subcontractor shall pay and report, as applicable, local, state and federal income tax withholdings, social security taxes, unemployment taxes and such other taxes as may be required with respect to payments received by the Subcontractor for the services provided by it pursuant to this Agreement.

3.1. Further, the Subcontractor agrees to indemnify and hold harmless the Contractor from any demands or damages which may arise pursuant to a claim involving the Subcontractor and which is brought under a theory of an employer-employee relationship such as, but not limited to, a claim for, wages, premiums, employment benefits, discrimination (unless caused by the willful conduct of Contractor or its agents), workers' compensation benefits, unemployment insurance, withholding taxes or payroll taxes.

3.2. Subcontractor shall purchase and maintain insurance for protection from claims under the Worker's Compensation Act and other statutory employee benefit provisions, which are applicable in the state in which this Agreement is being performed. Subcontractor shall obtain and keep in force throughout the term of this Agreement the following insurance levels:

TYPE OF INSURANCE	LIMIT	AMOUNT
Commercial General Liability	Each Occurrence	\$1 Million
	Personal & Advertising Injury	\$1 Million
	General Aggregate	\$2 Million
	Products/Completed Operations	\$2 Million
Umbrella OR Excess Liability	General Aggregate	\$5 Million
Automobile Liability (required if resource will be operating a State-owned vehicle, will be noted on requirement.)	Each Occurrence	\$1 Million
Employers Liability	Each Accident	\$500,000
	Each Employee by Disease	\$500,000
	Aggregate Disease	\$500,000
Privacy and Security Liability (Cyber Liability)	Each Occurrence	\$1 Million
	Annual Aggregate	\$1 Million

Professional Liability (Errors and Omissions)	Each Occurrence Annual Aggregate	\$1 Million \$1 Million
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3.3. Subcontractor shall submit a Certificate of Insurance to Contractor evidencing the required insurance coverage and stating that thirty (30) days prior written notice must be given to Contractor before cancellation of the policy.

3.4. Contractor shall have the right no more than once a year unless Customer and the Contractor agree that an audit is required at an earlier interval, at its sole cost and expense and upon reasonable prior written notice, itself or through an independent third party, to inspect the books and records of Subcontractor at Subcontractor's location to determine if Subcontractor is performing its obligations in accordance with the terms of this Agreement. If it is determined by the inspection that there was an overpayment of an amount due to Subcontractor by Contractor, Subcontractor shall promptly pay the difference to Contractor together with interest at the rate of one and a half percent (1.5%) per month and, in the event such overpayment exceeds five percent (5%) of the amounts due under the Agreement for such period, Subcontractor shall reimburse Contractor for the costs of the inspection. If it is determined by the inspection that Subcontractor has defaulted in any of its non-monetary obligations under this Agreement, then Contractor may, but shall not be obligated to, pursue its rights and remedies against Subcontractor as permitted hereunder. In no event shall Contractor's failure to enforce its rights upon learning of a default be deemed to be a waiver of such default. Furthermore, if a material default of a non-monetary obligation is uncovered as a result of the inspection, Subcontractor shall promptly reimburse Contractor for the costs of the inspection.

4.0. Compensation. Contractor agrees to pay Subcontractor according to the not-to-exceed rates set forth in Exhibit B of this Agreement or as Exhibit B may be modified by a rate change, for all Customer-Approved billable hours for services rendered by Subcontractor during the term of this Agreement. Fees for any renewal of this Agreement shall be as mutually agreed by parties. Subcontractor shall provide Contractor with one invoice per calendar month for services performed during the preceding month. Subcontractor employee must enter time into the Vendor Management System (VMS) on a weekly basis or as directed by the Contractor. In the event of a conflict between the invoice and the time entered on VMS, the approved time entered on VMS shall prevail.

4.1. Subcontractor shall maintain its payroll time records and work reports in accordance with Contractor's requirements for a period of four (4) years. Contractor may audit said books and records during the term of this Agreement and for four (4) years thereafter.

4.2. This Agreement does not entitle Subcontractor to any reimbursement of expenses unless otherwise expressly agreed to in writing in advance as Customer approved and re-billable.

4.3 Subcontractor is required to pay all of its employees, Subcontractors, or subconsultants for all the work that the employee, Subcontractor, or subconsultant has satisfactorily completed no later than ten (10) days after the Subcontractor has received payment from the Contractor. Should the Subcontractor fail to make payments as set forth herein, Contractor shall be entitled to engage the Subcontractor or subconsultant directly and the Subcontractor shall release any non-compete or non-solicitation agreement it may have with the Subcontractor or subconsultant.

5. Payment terms. Subcontractor shall provide Contractor with one invoice per calendar month for Customer- approved hours for the preceding calendar month. Contractor shall use its best efforts to pay all properly prepared and submitted invoices within 45 calendar days from the date of receipt and validation of such invoice by the Subcontractor, subject to timely payment from the Customer. An invoice is not considered valid until the hours reported have been approved within the VMS.

Subcontractor shall have the option of 15 day net payment from the date of receipt and validation of the properly prepared and submitted invoice, subject to a charge of one percent (1%) of the invoice amount to be retained by Contractor. Any hours for the prior calendar month which have been submitted and approved within the VMS after the 15th of the month will be paid separately at the 15 day net payment terms. Payment for these hours will be based on VMS approval date and subject to the 1% charge.

6. Indemnification. The Subcontractor, at its own expense, agrees to defend, indemnify and hold harmless the Contractor, its employees, successors and assigns from any claim, demand, cause of action, loss, damage, expense or liability (including attorney's fees) that may be incurred by the Contractor as a result of Subcontractor's actions under this Agreement or to the extent that it is based on a claim that Subcontractor infringed or violated the patent, copyright, license or other proprietary or intellectual property right of a third party or arising out of any injury (including death) to persons or damage to property to the extent caused by the negligence or intentional misconduct of Subcontractor or Subcontractor's employees, agents or Subcontractors while engaged in the performance of this Agreement or that Subcontractor otherwise acted negligently, improperly or illegally in the performance of its duties pursuant to the terms of this Agreement. In addition, in the event that any such Subcontractor performance is held to constitute an infringement and its use is or may be enjoined, Subcontractor shall, at its option, (1) modify the infringing program coding at its own expense so that it is not infringing; or (2) procure for the Contractor the right to use and license the use of the infringing program coding at no cost to either the Contractor or the Customer.

7. Ownership of Program Materials. Subcontractor agrees that all program materials, reports, and other data or materials generated or developed by Subcontractor under this Agreement or furnished by either the Contractor or the Customer to the Subcontractor shall be and remain the property of the Customer. Subcontractor specifically agrees that all copyrightable material developed or created under this Agreement shall be considered works made for hire by Subcontractor for the Customer and that such material shall, upon creation, be owned exclusively by the Customer.

7.1. To the extent that any such material, under applicable law, may not be considered work made for hire by Subcontractor for Customer, Subcontractor agrees to assign and, upon its creation, automatically assigns to Customer the ownership of such material, including any copyright or other intellectual property rights in such materials, without the necessity of any further consideration. Customer shall be entitled to obtain and hold in its own name all copyrights in respect of such materials. Subcontractor shall perform any acts that may be deemed necessary or desirable by Customer to evidence more fully the transfer of ownership of all materials referred to in this paragraph 6 to Customer to the fullest extent possible, including, without limitation, by executing further written assignments in a form requested by Customer.

7.2. To the extent that any preexisting rights of Subcontractor are embodied in the Program Materials, Subcontractor hereby grants to Customer the irrevocable, perpetual, nonexclusive, worldwide royalty-free right and license to (1) use, execute, reproduce, display, perform, distribute copies of, and prepare derivative works based upon such pre-existing rights and any derivative works thereof and (2) authorize others to do any or all of the foregoing.

7.3. Subcontractor represents and warrants that it either owns or has valid, paid-up licenses for all software used by it in the performance of its obligations under this Agreement.

8. Protection of Proprietary Materials. From the date of execution hereof and for as long as the information or data remain Proprietary Information or Trade Secrets (as defined in paragraph 8.1),

Subcontractor shall not use, disclose, or permit any person to obtain any Proprietary Information or Trade Secrets of Contractor or Customer, including any materials developed or generated hereunder (whether or not the Trade Secrets are in written or tangible form), except as specifically authorized by Contractor or Customer.

8.1. As used herein, "Trade Secrets" shall include, but not be limited to, a whole or any portion or phase of any scientific technical information, design, process, procedure, formula, business plan or improvement relating to the development, design, construction, and operation of Customer's or Contractor's processes in the Application Maintenance Support, and/or Construction Management Development, and/or Desktop Services product offerings areas, that is valuable and not generally known to competitors of Contractor or Customer. "Proprietary Information" shall include, but not be limited to, customer lists, pricing (including Subcontractor's pricing to Contractor), sales and marketing plans and strategic planning.

8.2. Irreparable harm shall be presumed if Subcontractor breaches any covenant of section 8 of this Agreement for any reason. This Agreement is intended to address Contractor's legal obligation to protect Customer's proprietary rights pertaining to the Program Materials and Trade Secrets, and any misuse of such rights would cause irreparable harm to the Contractor and Customer's business. Therefore, Subcontractor agrees that a court of competent jurisdiction should immediately enjoin any breach of this Agreement, upon a request by Contractor.

8.3 Contractor will require each Subcontractor resource performing work for the Customer under the Master Service Agreement to sign an individual agreement, acknowledging their acceptance of the language referenced in this section of the Agreement.

9. Return of Materials. Upon the request of Contractor, but in any event upon termination of this Agreement, Subcontractor shall surrender to Contractor all memoranda, notes, records, drawings, manuals, computer software, and other documents or materials, and all copies thereof, pertaining to the Program Materials or furnished by Contractor or Customer to Subcontractor, including all materials embodying any Trade Secrets. This paragraph is intended to apply to all materials made or compiled by Subcontractor, as well as to all materials furnished to Subcontractor by Contractor or by anyone else that pertain to the Program Materials or Trade Secrets.

9.1 Contractor will require each Subcontractor resource performing work for the Customer under the Master Agreement to sign an individual agreement, acknowledging their acceptance of the language referenced in this section of the Agreement.

10. Termination. This Agreement shall terminate as set forth herein and may be terminated by Contractor at the request of, or due to changes in the services rendered to, Customer. Contractor may terminate this Agreement sooner in the event of Subcontractor's breach or its failure to adequately and/or sufficiently perform its duties hereunder, or if the Customer requires termination sooner. Contractor may terminate this agreement for failure to comply with U.S. or State of Michigan laws or other gross or willful misconduct. It is understood and acknowledged by Subcontractor that its termination of this Agreement in any manner other than as set forth herein shall cause Contractor to incur substantial damages as a result of having to replace Subcontractor and Subcontractor will be held liable for any such damages which Contractor may incur as a result of any premature termination of this Agreement by Subcontractor.

11. Nonsolicitation of Contractor's Customers. The Subcontractor agrees that Subcontractor or their employees may not solicit any Customer agency for Time & Materials positions that have been referred to Contractor by Customer under this agreement. Solicitation may result in dismissal from the vendor

network and /or termination of this Agreement during the term of this Agreement and any renewals thereof. Subcontractor further agrees that it will not use any information regarding customers of Contractor which it may procure during the course of this Agreement. The prohibitions contained herein shall continue for a period of one year from the date of the termination of this Agreement, or upon termination of Contractor's contract with Customer, whichever is earlier.

12. Governing Law and Attorney's Fees. This Agreement is made under, and in all respects shall be interpreted, construed and governed by and in accordance with the laws of the State of Michigan, without reference to conflict of law principles. It is agreed that venue for any dispute arising out of this Agreement shall be proper in Ingham County, Michigan. In the event of a dispute hereunder, the prevailing party shall be entitled to recover its reasonable attorney's fees.

13. Assignment. This Agreement may not be assigned by Subcontractor without the written consent of Contractor.

14. Entire Agreement and Modification. This Agreement, together with the Master Agreement between the Contractor and the Customer and the Exhibits attached hereto, contain the entire agreement between the parties and there are no other representations or warranties and this Agreement supersedes any prior oral or written agreement or negotiations between the parties. This Agreement may only be modified by a written agreement signed by all parties that are to be bound by the modification.

15. Authority. If the party signing this Agreement is doing so as representative of either party, that person guarantees and represents that they have the express authority to bind their respective party and that entering into this Agreement does not violate the provisions of any other contract into which the Subcontractor has entered.

16. Notices. Any notice, demand, request, or other communication (any "Communication") required or permitted to be given or made to or by either party hereunder or under the Agreement shall be in writing. Any Communication shall be deemed to have been delivered on the earlier of the day actually received (by whatever means sent) if received on a business day (or if not received on a business day, on the first business day after the day of receipt) or, regardless of whether or not received after the dates hereinafter specified, on the first business day after having been delivered to Federal Express or comparable air courier service, or on the second business day after having been deposited with the United States Postal Service, Express Mail, return receipt requested, or on the third business day after having been deposited with the United States Postal Service, registered or certified mail, return receipt requested, in each case addressed to the respective party at the several addresses indicated below or to such other addresses as may hereafter be indicated by notice delivered in accordance with the terms hereof to the other party.

If to Contractor:

If to Subcontractor:

Contract Administrator  
Computer Aid, Inc.  
3801 Paxton Street  
Harrisburg, PA 17111

Copy to:  
Gregg M. Feinberg, Esq.  
Feinberg Law Office  
1390 Ridgeview Drive  
Suite 301  
Allentown, PA 18104-9065

17. Miscellaneous. All of the terms and provisions of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties hereto and their respective heirs, successors, legal representatives and permitted assigns.

If any of the provisions of this Agreement are ultimately deemed by a court of competent jurisdiction to be illegal, invalid or unenforceable, such provisions shall be deleted and the remaining terms and provisions of this Agreement shall continue in full force and effect.

Each party hereto shall be excused from performance hereunder for any period and to the extent that it is prevented from performing any services pursuant hereto in whole or in part, as a result of delays caused by the other party or an act of God, or other cause beyond its reasonable control and which it could not have prevented by reasonable precautions, including failures or fluctuations in electric power, heat, light, air conditioning or telecommunication equipment, and such nonperformance shall not be a default hereunder or a ground for termination hereof. Subcontractor's time of performance shall be enlarged, if and to the extent reasonably necessary, in the event that: (i) Customer fails to submit input data in the prescribed form or in accordance with the agreed upon schedules; (ii) special request by Customer or any governmental agency authorized to regulate, supervise, or impact CAI's normal processing schedule; (iii) Customer fails to provide any equipment, software, premises or performance called for by this Agreement, and the same is necessary for Subcontractor's performance hereunder. Subcontractor will notify Customer and Contractor of the estimated impact on its processing schedule, if any. In the event Subcontractor is responsible for an error in processing Customer's data, Subcontractor promptly will correct such error.

18. Subcontractor acknowledges that Contractor has or will enter into an agreement with the Customer to provide the services referenced herein and that the Subcontractor has had the opportunity to review said agreement and the terms and conditions of the Master Agreement between the Contractor and the Customer. The Subcontractor agrees that these terms and conditions will become part of this Agreement, binding the Subcontractor to the terms and conditions of the Master Agreement. In the event of a conflict between the terms and conditions contained herein and those contained in the Master Agreement, the terms and conditions in the Master Agreement shall prevail.

18.1 Subcontractor is responsible for providing information, resumes and employees in accordance with the processes defined in Exhibit A. Failure to comply that results in Contractor not

meeting the service level agreements in the Master Agreement may result in a reduction in the use of Subcontractor's services.

18.2 Subcontractor will use industry best practices testing mechanisms to validate and verify employee's technical skills as described in their respective resume. Contractor may request documentation to substantiate the claimed skills on a resume. In the event that Subcontractor fails to submit documentation in a timely manner Contractor reserves the right to hold the resume for submission to the client until such time as the documentation is submitted or the requirement is filled.

This Agreement may be executed in several counterparts, all of which taken together shall constitute one single agreement between the parties hereto.

The section headings used herein are for reference and convenience only and shall not enter into the interpretation hereof.

19. Background checks. The Contractor reserves the right, in its absolute discretion, to require each Subcontractor resource assigned under this Contract to successfully complete the Michigan Internet Criminal History Access Tool (iCHAT) check (<https://apps.michigan.gov/ichat/home.aspx>) prior to the resource beginning his or her assignment. The Subcontractor will be responsible for payment of all costs associated with the background check(s). The Subcontractor will provide Contractor with the background check results via PeopleFluent prior to work assignment start.

20. Subcontractor must maintain valid Visas for any of its employees for whom a Visa is required. Any failure to do so will result in removal of the employee and may result in the cancellation of this Agreement.

21. Limitations on Subcontractor Layering. All candidates submitted by Subcontractor for consideration must have a W-2 or 1099 relationship with Subcontractor, or be no more than one (1) contracting layer removed from Subcontractor. If instances of additional layering are discovered, Contractor will engage the candidate through the W-2 Subcontractor. All employer and/or contracting details must be reported accurately within the VMS system.

22. Accurate Time Reporting. Each engaged resource must enter time into the VMS tool accurately and honestly. Failure to report time in an accurate and honest manner may result in disciplinary action or termination of the engagement.

23. Drug Screening. On a case-by-case basis, the State may request that Supplier and Subcontractors initiate a drug screen on any Supplier and/or Subcontractor personnel. The results shall be used solely to determine the eligibility of Supplier and/or Subcontractor personnel to work within State facilities or on State systems. If provided to the State, results of drug screens will be promptly returned to Supplier, and will be treated as Confidential Information. Supplier and/or Subcontractor must utilize U.S. Department of Health and Human Services and/or Substance Abuse and Mental Health Services Administration (SAMHSA) Certified Laboratories for specimen testing and reporting services. Drug Testing will screen for Prohibited Drugs (defined below). Supplier and/or Subcontractor will present attestation of satisfactory completion of such tests. Supplier and/or Subcontractor is responsible for all costs and expenses associated with drug screens.

For purposes of this Section, "Prohibited Drugs" are defined as any of the following that are not prescribed by a physician or that are not included in over-the-counter medicines: (i) Cannabinoids (THC, Marijuana); (ii) Cocaine; (iii) Phencyclidine (PCP); (iv) Amphetamines (including



methamphetamine); and (v) Opiates (codeine, morphine, heroin, oxycodone). Supplier and/or Subcontractor personnel may be disqualified to provide services if they fail to submit to such a test for Prohibited Drugs or their screening shows a verified positive result for Prohibited Drugs without a proper prescription.

24. E-Verify. The State may require that the Contractor and/or Subcontractor utilize e-Verify employment eligibility verification of resources selected for engagement in order to comply with contractual requirements. Contractor and/or Subcontractor will be responsible for all costs associated with the usage of e-Verify.

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**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed on the day and year first above written.

**CONTRACTOR**

**SUBCONTRACTOR**

COMPUTER AID, INC.

By: \_\_\_\_\_

By: \_\_\_\_\_

Signature of Authorized Representative

Signature of Authorized Representative

\_\_\_\_\_

\_\_\_\_\_

Printed Name

Printed Name

\_\_\_\_\_

\_\_\_\_\_

Title

Title

\_\_\_\_\_

\_\_\_\_\_

Date

Date

**Subcontractor agrees to the following payment terms (Initial one):**

\_\_\_\_\_ **15 days (Subject to a charge of one percent (1%) of the invoice amount to be retained by Contractor, as per section 5 of this Agreement)**

\_\_\_\_\_ **45 days**

**These payment terms shall be effective for the life of this Contract unless otherwise mutually agreed upon by the Contractor and Subcontractor.**

**Exhibit A**  
**Michigan Staff Augmentation Management Program Requisitioning Process**

The following narrative describes the requisitioning process for the Michigan Staff Augmentation Management program, overseen by Computer Aid, Inc. (CAI).

**Step 1:** Once the requirement is complete and approved, the CAI Contract Manager releases the requirement to the Subcontractor network via the web-based Vendor Management System (VMS).

**Step 2:** Subcontractor reviews the requirement. If the Subcontractor has resources who they feel fit the description of the need, they will submit their information and resumes through the VMS.

**Step 3:** The CAI Contract Manager monitors the online tool and receives all submitted resumes from the Subcontractor network.

**Step 4:** The CAI Contract Manager reviews the resumes and selects a group of resumes to present to the Agency Hiring Manager, based on skill and experience match and availability. The CAI Contract Manager then forwards the resume matches the Hiring Manager for review. Please note: This must happen within the required time frame identified in the contract's service level agreements.

**Step 5:** The Agency Hiring Manager reviews the forwarded resumes and selects an appropriate number of resources to interview.

**Step 6:** The Agency Hiring Manager then notifies the CAI Contract Manager of his or her selection.

**Step 7:** The CAI Contract Manager notifies the selected Subcontractor/candidate and coordinates interviews with the Agency Hiring Manager.

**Step 8:** The Agency Hiring Manager interviews the candidate, either by phone or in-person.

**Step 9:** The Agency Hiring Manager selects a candidate and provides the CAI Contract Manager with complete engagement details, including specific information on the resource, role, responsibilities, timing, and job location.

**Step 10:** The CAI Contract Manager receives the engagement information and reviews for accuracy. The CAI Contract Manager then notifies the Subcontractor Network that a candidate has been selected, and notifies the appropriate Subcontractor that their individual candidate was selected. The CAI Contract Manager also ensures that all applicable background checks, drug tests, and all other on-boarding tasks are completed.

**Step 11:** The Subcontractor of the selected candidate notifies the candidate of selection and provides all job details to the candidate. The Subcontractor also assists the candidate in completing all on-boarding activities (i.e. background checks and drug tests).

**Step 12:** The CAI Contract Manager forwards final hire details to the Agency Hiring Manager and Subcontractor.

**Step 13:** The candidate begins work.

**Exhibit B**  
**Rate Schedule – Not-to-Exceed Rate to Subcontractor**

<b>Job Category</b>	<b>Job Title</b>	<b>Skill Level</b>	<b>Not-to-Exceed Rate to Subcontractor</b>
Applications	Programmer Analyst	Analyst 1	\$67.23
		Analyst 2	\$79.69
		Analyst 3	\$86.95
		Analyst 4	\$92.08
		Analyst 5	\$93.30
		Analyst 6	\$108.97
	Programmer	Programmer 1	\$63.25
		Programmer 2	\$66.43
		Programmer 3	\$75.65
		Programmer 4	\$88.10
		Programmer 5	\$92.86
		Programmer 6	\$108.81
	Software Test Analyst	Analyst 1	\$39.70
		Analyst 2	\$44.53
		Analyst 3	\$54.96
		Analyst 4	\$56.58
		Analyst 5	\$58.06
	Technical Writer	Technical Writer 1	\$43.42
		Technical Writer 2	\$45.92
		Technical Writer 3	\$57.31
	Business Analyst	Analyst 1	\$54.86
		Analyst 2	\$57.39
		Analyst 3	\$69.38
		Analyst 4	\$79.12
		Analyst 5	\$88.68
	System Analyst	Analyst 1	\$63.25
		Analyst 2	\$66.43
		Analyst 3	\$72.67
		Analyst 4	\$84.93
		Analyst 5	\$92.02
Analyst 6		\$103.87	
Software Solutions Architect			\$106.68
Geographic Information Systems	Geospatial Projects Manager	\$107.23	
	Analyst	\$100.93	
	Specialist I	\$71.49	
	Specialist II	\$83.46	
	Technician Trainee	\$67.23	
	Technician I	\$71.49	
	Technician II	\$75.67	
Technician III	\$79.69		

Applications	Graphic Designer	Graphic Designer 1	\$45.84
		Graphic Designer 2	\$49.92
	Mobile Specialist	Mobile Specialist 1	\$167.97
		Mobile Specialist 2	\$201.56
	Web Application Developer	Web Application Developer 1	\$62.55
		Web Application Developer 2	\$66.69
Webmaster	Webmaster 1	\$63.24	
	Webmaster 2	\$68.06	
Customer/Technical Support	Help Desk	Help Desk 1	\$37.09
		Help Desk 2	\$42.76
		Help Desk 3	\$48.16
	Technical Support	Technical Support 1	\$53.22
		Technical Support 2	\$60.66
		Technical Support 3	\$68.36
	Infrastructure Solutions Architect	Infrastructure Solutions Architect 1	\$76.90
		Infrastructure Solutions Architect 2	\$81.19
		Infrastructure Solutions Architect 3	\$93.66
		Infrastructure Solutions Architect 4	\$115.97
Infrastructure Solutions Architect 5		\$123.13	
System Administrator	System Administrator 1	\$59.29	
	System Administrator 2	\$68.86	
	System Administrator 3	\$76.88	
Data Management	Database Architect	Database Architect 1	\$76.45
		Database Architect 2	\$79.23
		Database Architect 3	\$85.01
		Database Architect 4	\$100.51
	Data Warehouse Architect	Data Warehouse Architect 1	\$80.50
		Data Warehouse Architect 2	\$99.19
		Data Warehouse Architect 3	\$101.93
	Database Administrator	Database Administrator 1	\$62.47
		Database Administrator 2	\$77.67
		Database Administrator 3	\$87.10
Database Administrator 4		\$91.07	
Database Administrator 5		\$98.91	
Governance	IT Governance Analyst		\$132.19
	IT Procurement Analyst		\$69.01
IT Management Services	Business Continuity Planner		\$101.13
	Business Process Reengineering		\$110.81
	Enterprise Architect		\$141.09
	IT Strategist		\$123.21
	IT Auditor	I.T. Auditor 1	\$50.76
		I.T. Auditor 2	\$55.53
		I.T. Auditor 3	\$72.26
		I.T. Auditor 4	\$80.75
I.T. Auditor 5		\$85.32	
IT Trainer		\$65.47	

IT Management Services	IT Sourcing Consultant	IT Sourcing Consultant 1	\$101.02
		IT Sourcing Consultant 2	\$114.16
IT Security	IT Security Analyst	IT Security Analyst 1	\$61.69
		IT Security Analyst 2	\$72.94
		IT Security Analyst 3	\$76.06
	IT Security Architect	IT Security Architect 1	\$75.15
		IT Security Architect 2	\$78.89
Security Auditor		\$127.00	
Project Management	Program Manager		\$149.05
	Project Manager	Project Manager 1	\$112.30
		Project Manager 2	\$116.74
		Project Manager 3	\$121.19
Project Coordinator		\$47.59	
Telecommunications and Computer Networking	Network Administrator	Network Administrator 1	\$54.27
		Network Administrator 2	\$59.24
		Network Administrator 3	\$63.80
	Network Architect	Network Architect 1	\$64.70
		Network Architect 2	\$72.40
		Network Architect 3	\$89.67
	Network Engineer	Network Engineer 1	\$59.17
		Network Engineer 2	\$64.70
		Network Engineer 3	\$76.97
		Network Engineer 4	\$88.07
	Public Safety Consultant		\$83.14
Radio Engineer		\$109.88	

**Exhibit C**  
**Subcontractor Service Level Agreements**

Performance Standard	Description	Performance Target	Calculation	Frequency
Percentage of timesheets submitted on time	Timesheets will be submitted to the State for approval by defined deadline	95%	Average number of timesheets submitted by deadline/total number of engaged resources	Monthly
Resource Dismissal	Measures number of resources dismissed due to inadequate resource performance	5% or lower	Number of turnovers (due to inadequate performance)/total number of resources	Quarterly
Attrition Rate	Measures resource turnover due to unplanned situations that are not caused by the State of Michigan, excluding inadequate performance, death, serious illness, etc.	5% or lower	Number of unplanned turnovers within the quarter / total number of resources engaged through end of the quarter including SLA exempt resources	Quarterly
Candidates Interviewed	Measures the number of candidates who fulfill interview requests	80%	Number of candidates interviewed/total number of candidates requested for interview	Quarterly
Candidates fulfilling offers of engagement/failure to start	Measures the number of candidates who start engagements after offer acceptance  Measures false starts	95%	Number of candidates starting engagements/total number of candidates accepting offers of engagement	Quarterly