



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

**EXECUTIVE COMMITTEE
REGULAR MEETING**

Thursday, April 12, 2018 at 1:30 PM

Capitol View Building
201 Townsend St Suite 900
Lansing, MI 48933

AGENDA

- I. Call to Order**
- II. Roll Call**
- III. Approval of Agenda**
- IV. Approval of Minutes**
 - a. Minutes of the March 8, 2018 regular Executive Committee meeting
- V. Administrative Report**
- VI. New Business**
 - a. Resolution 2018-04 Approve Settlement Agreement with CGI Technology Solutions, Inc. and Genesee County
 - b. Resolution 2018-05 Approve Amendment No. 1 to FMS Program-CGI Advantage360® Service Agreement
- VII. Public Comment**
- VIII. Other Business**
- IX. Adjournment**

A copy of the proposed minutes of the meeting will be available for public inspection at the principal office of the Authority within 8 business days. A copy of the approved minutes of the meeting, including any corrections, will be available for public inspection at the principal office of the Authority within 5 business days after approval.



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

**EXECUTIVE COMMITTEE
REGULAR MEETING**

Thursday, March 8, 2018 at 2:00 p.m.

Capital View Building
Constitution Room – 9th Floor
201 Townsend Street
Lansing, MI 48933

MINUTES

Proposed Minutes Approved Minutes

MEETING TYPE: Regular Special

I. Call to Order

The meeting was called to order at 2:12 PM.

II. Roll Call

Executive Committee Member Attendance:

Stacie Behler, Chairperson	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
James Cambridge, Secretary*	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Eric DeLong, Treasurer*	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Kelli Scott, Member*	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Doug Smith, Member	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Absent

*Participated via teleconference.

Other attendees:

- Robert Bruner, Michigan Municipal Services Authority
- Kristen Delaney, Michigan Municipal Services Authority
- Steven Liedel, Dykema

III. Approval of Agenda

Moved by: Scott
Supported by: Cambridge

Yes: X No: ___

IV. Approval of Minutes

a. Minutes of the January 11, 2018 regular Executive Committee meeting

Moved by: Scott
Supported by: Cambridge

Yes: X No: ___

V. Administrative Report

The regular administrative report was delivered by CEO Robert Bruner at the earlier Authority Board meeting.

a. FYE 2017 Change in Net Position

Bruner gave the committee an overview.

VI. New Business

a. Resolution 2018-3 FY 2017-2018 General Appropriations Act Amendment

Moved by: Scott
Supported by: Cambridge

Yes: X No: ___

II. Public Comment

None

III. Other Business

None

IV. Adjournment

Motion to adjourn the meeting at 2:16 PM.

Moved by: Scott

Supported by: Cambridge

Yes: X No:

Certification of Minutes

Approved by the Executive Committee on April 12, 2018.

Authority Secretary

Date

PROPOSED



Michigan Municipal Services Authority

Administrative Report

Prepared April 11, 2018

Collaborate • Innovate • Serve

Financial Report

MMSA Administrative Report

Collaborate • Innovate • Serve

**Michigan Municipal Services Authority
General Fund**

Fund	Activity	FYE 2018 Adopted	March 2018	FYE 2018 Year to Date	FYE 2018 Budget to Date	Variance
Operating Revenues						
101	539		\$ -	\$ 37,500	\$ -	
		\$ 128,500	\$ 9,678	\$ 43,588	\$ 21,417	103.5%
		\$ 128,500	\$ 9,678	\$ 43,588	\$ 21,417	103.5%
TOTAL OPERATING REVENUES		\$ 257,000	\$ 19,356	\$ 124,676	\$ 42,833	191.1%
Operating Expenses						
101	101	\$ 2,000	\$ -	\$ -	\$ 1,000	-100.0%
101	173	\$ 225,000	\$ 16,258	\$ 109,092	\$ 112,500	-3.0%
101	191	\$ 16,000	\$ 3,098	\$ 15,584	\$ 8,000	94.8%
101	228	\$ 2,000	\$ -	\$ -	\$ 1,000	-100.0%
101	266	\$ 12,000	\$ -	\$ -	\$ 6,000	-100.0%
TOTAL OPERATING EXPENSES		\$ 257,000	\$ 19,356	\$ 124,676	\$ 128,500	-3.0%
Change in Net Position		\$ -	\$ -	\$ (0)	\$ (85,667)	

**Michigan Municipal Services Authority
VHWM**

Fund	Activity	FYE 2018 Adopted	March 2018	FYE 2018 Year to Date	FYE 2018 Budget to Date	Variance	
Operating Revenues							
501	539	State Grants	\$ -	\$ -	\$ -	\$ -	
501	600	Charges for Services	\$ 755,124	\$ -	\$ 174,295	\$ 377,562	-53.8%
TOTAL OPERATING REVENUES		\$ 755,124	\$ -	\$ 174,295	\$ 377,562	-53.8%	
Operating Expenses							
501	266	Attorney	\$ 6,000	\$ 2,166	\$ 2,166	\$ 3,000	-27.8%
501	271	Program Management	\$ 6,000	\$ -	\$ 1,467	\$ 3,000	-51.1%
501	272	Contractual Services	\$ 732,706	\$ -	\$ 307,801	\$ 366,353	-16.0%
501		Transfer to General Fund	\$ 128,500	\$ 9,678	\$ 43,588	\$ 64,250	-32.2%
TOTAL OPERATING EXPENSES		\$ 873,206	\$ 11,844	\$ 355,022	\$ 436,603	-18.7%	
Change in Net Position		\$ (118,082)	\$ (11,844)	\$ (180,727)	\$ (59,041)	206.1%	

**Michigan Municipal Services Authority
FMS**

Fund	Activity	FYE 2018 Adopted	March 2018	FYE 2018 Year to Date	FYE 2018 Budget to Date	Variance	
Operating Revenues							
502	539	State Grants	\$ -	\$ -	\$ -	\$ -	0.0%
502	600	Charges for Services	\$ 2,863,430	\$ 1,889,620	\$ 1,889,620	\$ 1,431,715	32.0%
TOTAL OPERATING REVENUES			\$ 2,863,430	\$ 1,889,620	\$ 1,889,620	\$ 1,431,715	32.0%
Operating Expenses							
502	266	Attorney	\$ 6,000			\$ 3,000	-100.0%
502	271	Program Management	\$ 45,000	\$ -	\$ -	\$ 22,500	-100.0%
502	272	Contractual Services	\$ 2,678,000	\$ 1,766,000	\$ 1,773,095	\$ 1,339,000	32.4%
502		Transfer to General Fund	\$ 128,500	\$ 9,678	\$ 43,588	\$ 64,250	-32.2%
TOTAL OPERATING EXPENSES			\$ 2,857,500	\$ 1,775,678	\$ 1,816,683	\$ 1,428,750	27.2%
Change in Net Position			\$ 5,930	\$ 113,942	\$ 72,937	\$ 2,965	2359.9%

**Michigan Municipal Services Authority
All Funds**

	FYE 2018 Adopted	March 2018	FYE 2018 Year to Date	FYE 2018 Budget to Date	Variance
OPERATING REVENUES					
General	\$ 257,000	\$ 19,356	\$ 124,676	\$ 128,500	-3.0%
VHWM	\$ 755,124	\$ -	\$ 174,295	\$ 377,562	-53.8%
FMS	\$ 2,863,430	\$ 1,889,620	\$ 1,889,620	\$ 1,431,715	32.0%
TOTAL OPERATING REVENUES	\$ 3,875,554	\$ 1,908,976	\$ 2,188,591	\$ 1,937,777	12.9%
OPERATING EXPENSES					
General	\$ 257,000	\$ 19,356	\$ 124,676	\$ 128,500	-3.0%
VHWM	\$ 873,206	\$ 11,844	\$ 355,022	\$ 436,603	-18.7%
FMS	\$ 2,857,500	\$ 1,775,678	\$ 1,816,683	\$ 1,428,750	27.2%
TOTAL OPERATING EXPENSES	\$ 3,987,706	\$ 1,806,878	\$ 2,296,381	\$ 1,993,853	15.2%
CHANGE IN NET POSITION	\$ (112,152)	\$ 102,098	\$ (107,791)	\$ (56,076)	92.2%

MICHIGAN MUNICIPAL SERVICES AUTHORITY

Summary of Revenues and Expenditures

Date	Check Number	Invoice Number	Description	Check Amount	Deposits/ Other Credits	Account Balance
2/28/18			Beginning Balance			\$ 177,192.56
3/8/18	Direct Deposits		Payroll	5,211.25		\$ 171,981.31
		payroll Taxes	Internal Revenue Service	1,474.46		\$ 170,506.85
		payroll Taxes	State of Michigan	472.94		\$ 170,033.91
3/9/18	ACH	expenses	Robert Bruner	10.00		\$ 170,023.91
	ACH	expenses	Robert Bruner	1,027.87		\$ 168,996.04
	ACH	expenses	Robert Bruner	130.20		\$ 168,865.84
	ACH	expenses	Kristen Delaney	57.06		\$ 168,808.78
	ACH	expenses	Kristen Delaney	10.90		\$ 168,797.88
	ACH		Dykema Gossett	2,166.30		\$ 166,631.58
	ACH		Michael A Tawney	850.00		\$ 165,781.58
	ACH		Plante Moran	2,029.80		\$ 163,751.78
3/12/18			Bank Service Charge	218.28		\$ 163,533.50
3/15/18	Deposit		City of Grand Rapids		\$ 944,810.00	\$ 1,108,343.50
3/16/18	Deposit		Kent County		\$ 944,810.00	\$ 2,053,153.50
3/22/18	Direct Deposits		Payroll	5,211.25		\$ 2,047,942.25
		payroll Taxes	Internal Revenue Service	1,474.46		\$ 2,046,467.79
3/28/18	ACH		CGI Tech	883,000.00		\$ 1,163,467.79
	ACH		CGI Tech	883,000.00		\$ 280,467.79
	ACH		Blue Cross Blue Sheild	1,172.75		\$ 279,295.04
TOTAL MI MUN SERV AUTH CASH BALANCE						\$ 279,295.04

Michigan Municipal Services Authority
Balance Sheet
As of March 31, 2018

ASSETS

CURRENT ASSETS

Cash in Bank	\$ 279,295.04
Due From Cities	<u>115,601.99</u>

Total Current Assets 394,897.03

PROPERTY AND EQUIPMENT

TOTAL ASSETS \$ 394,897.03

CURRENT LIABILITIES

Accounts Payable	\$ 126,033.25
Accrued State W/H	472.94
Accrued MESC	439.21
Accrued FUTA	84.00
Accrued Salaries & Wages	<u>4,146.08</u>

Total Current Liabilities 131,175.48

LONG-TERM LIABILITIES

Total Liabilities 131,175.48

FUND BALANCE

Fund Balance Retained	371,514.27
Current Revenue over Expenses	<u>(107,792.72)</u>

Total Fund Balance 263,721.55

TOTAL LIABILITIES AND FUND BALANCE \$ 394,897.03

Michigan Municipal Services Authority
Statement of Income
For the 1 Month and 6 Months Ended March 31, 2018

	<u>1 Month Ended</u> <u>March 31, 2018</u>	<u>6 Months Ended</u> <u>March 31, 2018</u>
Revenues		
Contract Revenue	\$ 1,889,620.00	\$ 2,101,414.95
Operating Expenses		
Salary Director	\$ 8,498.90	\$ 55,242.85
Wages - Administrative Staff	4,400.00	28,600.00
Outside Service Contractors	1,766,000.00	2,079,840.37
Payroll Taxes	945.46	6,145.47
MESC Taxes	4.88	439.21
FUTA Taxes	0.00	84.00
Office Expense	67.06	6,946.71
Legal & Accounting	5,046.10	17,684.35
Insurance - General	0.00	2,406.00
Insurance - Health	1,172.75	6,776.72
Mileage Reimbursement	141.10	1,326.11
Travel Expenses	1,027.87	1,126.10
Bank Service Charges	218.28	1,122.30
	<hr/>	<hr/>
Total Operating Expenses	1,787,522.40	2,207,740.19
Revenues over Expenses	<u>\$ 102,097.60</u>	<u>\$ (107,792.72)</u>

BANK RECONCILIATION

Name of Client: Michigan Municipal Services Authority

Month: March, 2018

Bank: Fifth Third

Prepared By: _____

General Ledger Acct Balance:	\$ 177,192.56	Balance per bank statement: 3/31/18	\$ 279,295.04
Add Debits:		Add Deposits in Transit:	
Deposits	\$ 1,889,620.00		
.....			
.....			
.....			
Total Dr	\$ 1,889,620.00		
Total	\$ 2,066,812.56		
Less Credits:		Total in Transit:	
checks	\$ -	Total:	\$ 279,295.04
Payroll	\$ 13,844.36		
Online payments	\$ 1,772,282.13		
SC	\$ 218.28		
BCBS	\$ 1,172.75		
Total Cr	\$ 1,787,517.52	Less Checks Outstanding:	
		(see list below)	
		Total:	\$ -
Bank Balance - Per General Ledger:	\$ 279,295.04		\$ 279,295.04

Checks Outstanding

Number	Amount	Number	Amount
	\$ -		\$ -



MICHIGAN MUNICIPAL SERVICES
AUTHORITY
PO BOX 12012
LANSING MI 48901-2012

0
4531

Banking Center: Grand Rapids
Banking Center Phone: 616-653-5440
Commercial Client Services: 866-475-0729

Account Summary -

03/01	Beginning Balance	\$178,660.04	Number of Days in Period	31
1	Checks	\$(1,467.48)		
20	Withdrawals / Debits	\$(1,787,518.66)		
5	Deposits / Credits	\$1,889,621.14		
03/31	Ending Balance	\$279,295.04		

Check

1 check totaling \$1,467.48

* Indicates gap in check sequence i = Electronic Image s = Substitute Check

Number	Date Paid	Amount
7512 i	03/14	1,467.48

Withdrawals / Debits

20 items totaling \$1,787,518.66

Date	Amount	Description
03/07	5,211.25	Michigan Municip CSI PAYROLL PAYROLL Michigan Municipal Ser 030718
03/09	0.78	Bill.com Verify 015QTVOZULQUORK Michigan Municipal Ser 030918
03/12	218.28	SERVICE CHARGE
03/13	10.00	Michigan Municip CREDITS 4616288140 031318 OFFSET TRANSACTION
03/13	10.90	Michigan Municip CREDITS 4616288140 031318 OFFSET TRANSACTION
03/13	57.06	Michigan Municip CREDITS 4616288140 031318 OFFSET TRANSACTION
03/13	130.20	Michigan Municip CREDITS 4616288140 031318 OFFSET TRANSACTION
03/13	850.00	Michigan Municip PAYMENTS 4616288140 031318 OFFSET TRANSACTION
03/13	1,027.87	Michigan Municip CREDITS 4616288140 031318 OFFSET TRANSACTION
03/13	2,029.80	Michigan Municip PAYMENTS 4616288140 031318 OFFSET TRANSACTION
03/13	2,166.30	Michigan Municip PAYMENTS 4616288140 031318 OFFSET TRANSACTION
03/14	1,474.46	IRS USATAXPYMT 270847320612458 MICHIGAN MUNICIPAL SER 031418
03/20	472.94	MI Business Tax Payment SMIBUS001860064 TawneyMichael 032018
03/21	5,211.25	Michigan Municip CSI PAYROLL PAYROLL Michigan Municipal Ser 032118
03/27	883,000.00	Michigan Municip PAYMENTS 4616288140 032718 OFFSET TRANSACTION
03/27	883,000.00	Michigan Municip PAYMENTS 4616288140 032718 OFFSET TRANSACTION
03/28	1,172.75	BCBS Michigan PREMIUM MS283851 MICHIGAN MUNICIPAL SER 032818
03/28	1,474.46	IRS USATAXPYMT 270848743718026 MICHIGAN MUNICIPAL SER 032818
03/30	0.03	GUSTO 3qhk BBV 504176 6semjmu8e6m MICHIGAN MUNICIPAL SER 033018
03/30	0.33	GUSTO 6semjm1ht1r BBV 503547 6semjmu8e6g MICHIGAN MUNICIPAL SER 033018

Deposits / Credits

5 items totaling \$1,889,621.14

Date	Amount	Description
03/09	0.78	Bill.com Verify 015QTVOZULQUORK Michigan Municipal Ser 030918
03/15	944,810.00	DEPOSIT
03/16	944,810.00	Kent County 0000217159 CTXEDI820 201803140028155 MICHIGAN MUNICI 031618
03/30	0.03	GUSTO 6semjm1ht1f BVC 504175 6semjmu8e6k MICHIGAN MUNICIPAL SER 033018
03/30	0.33	GUSTO 6semjm1ht1q BVC 503546 6semjmu8e6e MICHIGAN MUNICIPAL SER 033018



Daily Balance Summary

Date	Amount	Date	Amount	Date	Amount
03/07	173,448.79	03/14	164,006.44	03/21	2,047,942.25
03/09	173,448.79	03/15	1,108,816.44	03/27	281,942.25
03/12	173,230.51	03/16	2,053,626.44	03/28	279,295.04
03/13	166,948.38	03/20	2,053,153.50	03/30	279,295.04

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Michigan Municipal Services Authority
Check Register

Check Number	Check Date	Payee	Amount
Vendor Checks			
201803001	03/09/18	Robert J. Bruner Jr.	10.00
201803002	03/09/18	Robert J. Bruner Jr.	1,027.87
201803003	03/09/18	Robert J. Bruner Jr.	130.20
201803004	03/09/18	Kristen Delaney	57.06
201803005	03/09/18	Kristen Delaney	10.90
201803006	03/09/18	Dykema Gossett PLLC	2,166.30
201803007	03/09/18	Michael A. Tawney & Co PC	850.00
201803008	03/09/18	Plante Moran	2,029.80
201803009	03/28/18	CGI Technologies and Solutions	883,000.00
201803010	03/28/18	CGI Technologies and Solutions	883,000.00
Total checks	10		<u>1,772,282.13</u>
		Total	<u>1,772,282.13</u>

Michigan Municipal Services Authority

Check List

All Bank Accounts

March 1, 2018 - March 31, 2018

Check Number	Check Date	Payee	Amount
Payroll Direct Deposit			
5423	03/08/18	Bruner Jr., Robert J	3,469.05
5424	03/08/18	Delaney, Kristen A	1,742.20
5426	03/22/18	Bruner Jr., Robert J	3,469.05
5427	03/22/18	Delaney, Kristen A	1,742.20
Payroll Direct Deposit Total			<u>10,422.50</u>
Vendor Checks			
5422	03/08/18	State of Michigan	472.94
5425	03/08/18	Internal Revenue Service	1,474.46
5428	03/22/18	Internal Revenue Service	1,474.46
Vendor Check Total			<u>3,421.86</u>
Check List Total			<u><u>13,844.36</u></u>

Check count = 7

FMS Program Report

MMSA Administrative Report

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FMS Program Update

Program Management

- The Authority, Grand Rapids, and Kent County approved Amendment No. 1
- Genesee County is considering termination
- Action may be taken at the April 9 Board of Commissioners meeting

Stop-loss Insurance Cooperative Program Development Report

MMSA Administrative Report

Collaborate • Innovate • Serve

Stop-loss Insurance Cooperative Program Development Report

Participants

- Calhoun County
- Grand Rapids
- Livonia
- Oakland County
- Roseville
- Troy

Schedule

- April - Complete data collection
- May - Complete feasibility study
- June - RFP participation deadline
- July - Complete updated data collection
- August - Issue RFP

LCSS Distributions

LCSA Administrative Report

Collaborate • Innovate • Serve

LCSS Distributions

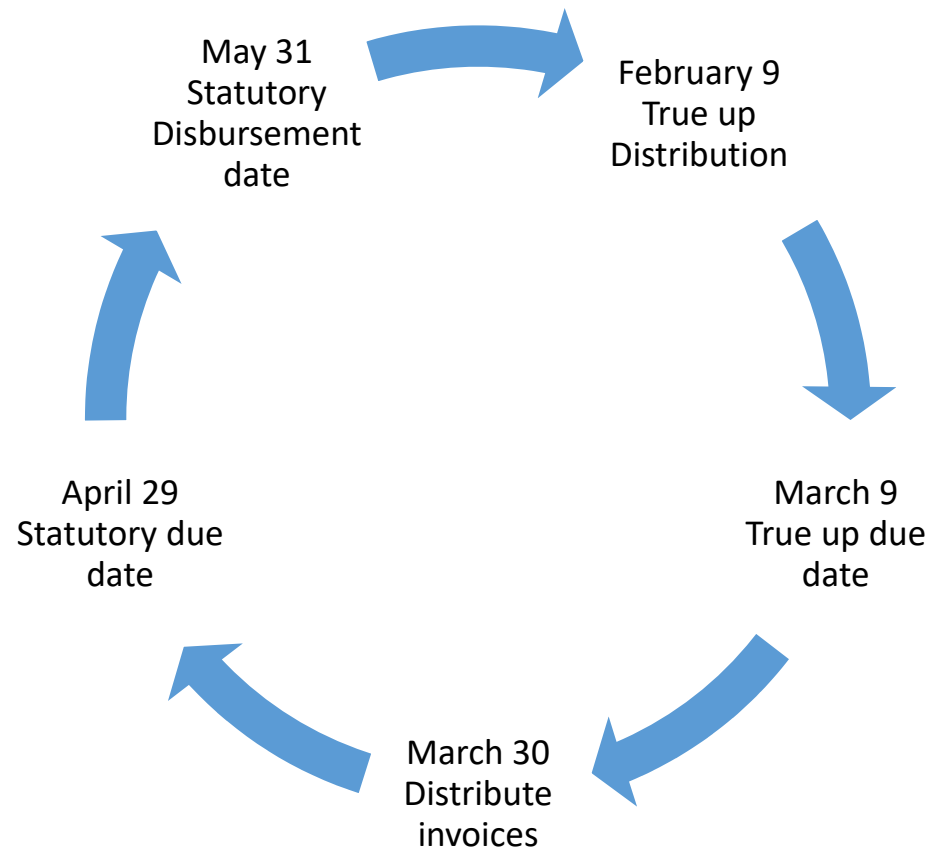
- November 2017
 - Ten errors were discovered and are being corrected
 - The attached memo dated March 23 explains
- February 2018
 - 1,475 municipalities and 201 school districts were paid without any known errors
- September 2018 & October 2018
 - Direct deposit

METRO Act Administration

LCSA Administrative Report

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2018 METRO Act Administration



Collaborate • Innovate • Serve

2018 METRO Act Administration

- Contacted 119 providers
- Updated 6,830 unique records
- Calculated maintenance fees totaling \$25 million
- Generated and distributed 99 invoices to providers

ILEC Maintenance Fees

ILEC	PROVIDERID	Provider	Type Name	Linear Feet	Access Lines	Linear Foot Rate (Static)	Linear Foot Maintenance Fee	Access Line Rate	Access Line Maintenance Fee	Maintenance Fee (lessor of the amounts)	Individual ILEC Linear Foot Rate
10											
11	58	Ace Telephone Company of Michigan - ILEC ID 58	ILEC	4,651,916	4,845	\$0.05	\$232,595.80	\$26.68	\$129,288.70	\$129,288.70	\$0.03
12	157	Allband Communications Cooperative - ILEC ID 157	ILEC	791,030	771	\$0.05	\$39,551.50	\$26.68	\$20,574.12	\$20,574.12	\$0.03
13	85	AT&T Michigan - ILEC ID 85	ILEC	304,092,903	569,783	\$0.05	\$15,204,645.15	\$26.68	\$15,204,645.15	\$15,204,645.15	\$0.05
14	60	Baraga Telephone Company - ILEC - ILEC ID 60	ILEC	1,583,893	3,304	\$0.05	\$79,194.65	\$26.68	\$88,167.16	\$79,194.65	\$0.05
15	61	Barry County Telephone Co. - ILEC ID 61	ILEC	1,617,851	5,717	\$0.05	\$80,892.55	\$26.68	\$152,558.00	\$80,892.55	\$0.05
16	62	Blanchard Telephone Co. - ILEC ID 62	ILEC	760,156	899	\$0.05	\$38,007.80	\$26.68	\$23,989.79	\$23,989.79	\$0.03
17	63	Bloomington Telephone Company, Inc. - ILEC ID 63	ILEC	725,942	1,148	\$0.05	\$36,297.10	\$26.68	\$30,634.35	\$30,634.35	\$0.04
18	64	Carr Telephone Company - ILEC ID 64	ILEC	974,409	1,025	\$0.05	\$48,720.45	\$26.68	\$27,352.10	\$27,352.10	\$0.03
19	65	CenturyTel Midwest - Michigan - ILEC ID 65	ILEC	9,062,852	9,799	\$0.05	\$453,142.60	\$26.68	\$261,486.07	\$261,486.07	\$0.03
20	66	CenturyTel of Michigan, Inc. - ILEC ID 66	ILEC	23,282,561	20,689	\$0.05	\$1,164,128.05	\$26.68	\$552,085.45	\$552,085.45	\$0.02
21	67	CenturyTel of Northern Michigan, Inc. - ILEC ID 67	ILEC	1,810,394	1,401	\$0.05	\$90,519.70	\$26.68	\$37,385.65	\$37,385.65	\$0.02
22	68	CenturyTel of Upper Michigan, Inc. - ILEC ID 68	ILEC	4,007,876	5,502	\$0.05	\$200,393.80	\$26.68	\$146,820.73	\$146,820.73	\$0.04
23	69	Chapin Telephone Company - ILEC ID 69	ILEC	418,522	447	\$0.05	\$20,926.10	\$26.68	\$11,928.18	\$11,928.18	\$0.03
24	71	Climax Telephone Company - ILEC - ILEC ID 71	ILEC	451,930	830	\$0.05	\$22,596.50	\$26.68	\$22,148.53	\$22,148.53	\$0.05
25	73	Deerfield Farmers Telephone Company - ILEC ID 73	ILEC	1,826,670	1,240	\$0.05	\$91,333.50	\$26.68	\$33,089.37	\$33,089.37	\$0.02
26	75	Frontier Communications of Michigan - ILEC ID 75	ILEC	8,905,607	8,826	\$0.05	\$445,280.35	\$26.68	\$235,521.59	\$235,521.59	\$0.03
27	72	Frontier Midstates - ILEC ID 72	ILEC	12,093,060	13,324	\$0.05	\$604,853.00	\$26.68	\$355,550.61	\$355,550.61	\$0.03
28	93	Frontier North - ILEC ID 93	ILEC	122,257,113	163,295	\$0.05	\$6,112,855.65	\$26.68	\$4,357,523.00	\$4,357,523.00	\$0.04
29	76	Hiawatha Telephone Company - ILEC ID 76	ILEC	1,014,283	4,351	\$0.05	\$50,714.15	\$26.68	\$116,106.33	\$50,714.15	\$0.05
30	77	Kaleva Telephone Company - ILEC ID 77	ILEC	2,001,467	987	\$0.05	\$100,073.35	\$26.68	\$26,338.07	\$26,338.07	\$0.01
31	78	Lennon Telephone Company - ILEC ID 78	ILEC	353,565	572	\$0.05	\$17,678.25	\$26.68	\$15,263.81	\$15,263.81	\$0.04
32	457	Michigan Central Broadband Company - ILEC ID 457	ILEC	790,421	666	\$0.05	\$39,521.05	\$26.68	\$17,772.19	\$17,772.19	\$0.02
33	79	Midway Telephone Company - ILEC ID 79	ILEC	600,375	544	\$0.05	\$30,018.75	\$26.68	\$14,516.63	\$14,516.63	\$0.02
34	80	Ogden Telephone Company - ILEC ID 80	ILEC	765,024	302	\$0.05	\$38,251.20	\$26.68	\$8,058.86	\$8,058.86	\$0.01
35	81	Ontonagon County Telephone Company - ILEC ID 81	ILEC	1,384,400	2,507	\$0.05	\$69,220.00	\$26.68	\$66,899.23	\$66,899.23	\$0.05
36	83	Pigeon Telephone Company - ILEC ID 83	ILEC	4,010,520	1,496	\$0.05	\$200,526.00	\$26.68	\$39,920.72	\$39,920.72	\$0.01
37	84	Sand Creek Telephone Company - ILEC ID 84	ILEC	533,971	729	\$0.05	\$26,698.55	\$26.68	\$19,453.35	\$19,453.35	\$0.04
38	86	Springport Telephone Company - ILEC ID 86	ILEC	686,045	892	\$0.05	\$34,302.25	\$26.68	\$23,803.00	\$23,803.00	\$0.03
39	87	TDS Telecom Chatham Telephone Co. - ILEC ID 87	ILEC	1,366,980	2,056	\$0.05	\$68,349.00	\$26.68	\$54,864.31	\$54,864.31	\$0.04
40	88	TDS Telecom Communication Corp. of MI (CCM) - ILEC ID 88	ILEC	930,214	2,356	\$0.05	\$46,510.70	\$26.68	\$62,869.80	\$46,510.70	\$0.05
41	89	TDS Telecom Island Telephone Co. - ILEC ID 89	ILEC	462,710	1,021	\$0.05	\$23,135.50	\$26.68	\$27,245.36	\$23,135.50	\$0.05
42	90	TDS Telecom Shawassee Telephone Co. - ILEC ID 90	ILEC	1,379,580	3,383	\$0.05	\$68,979.00	\$26.68	\$80,275.27	\$68,979.00	\$0.05
43	91	TDS Telecom Wolverine Telephone Co. - ILEC ID 91	ILEC	2,209,839	4,721	\$0.05	\$110,491.95	\$26.68	\$125,979.77	\$110,491.95	\$0.05
44	92	Upper Peninsula Telephone Co - ILEC ID 92	ILEC	4,187,918	3,654	\$0.05	\$209,395.90	\$26.68	\$97,506.90	\$97,506.90	\$0.02
45	94	Waldron Telephone Company - ILEC ID 94	ILEC	317,410	383	\$0.05	\$15,870.50	\$26.68	\$10,220.35	\$10,220.35	\$0.03
46	95	Westphalia Telephone Company - ILEC ID 95	ILEC	457,787	630	\$0.05	\$22,889.35	\$26.68	\$16,811.53	\$16,811.53	\$0.04
47	96	Winn Telephone Company - ILEC ID 96	ILEC	496,966	416	\$0.05	\$24,848.30	\$26.68	\$11,100.95	\$11,100.95	\$0.02
48											

CLEC Maintenance Fees

PROVIDERID	Provider	Type Name	Maintenance Fee
857	Air Advantage, L.L.C.	CLEC	\$96,756.02
18	AT&T Corp.	CLEC	\$13,794.75
19	Baraga Telephone Company - CLEC	CLEC	\$19,340.85
397	BCE Nexxia	CLEC	\$421.10
21	Broadwing c/o Level 3 Communications, LLC	CLEC	\$5,392.85
23	CenturyTel Fiber Company, LLC	CLEC	\$193,433.90
53	City of Detroit Public Lighting Department	CLEC	\$3,071.10
24	City of Sturgis	CLEC	\$1,607.19
32	Clear Rate Communications, Inc.	CLEC	\$4,520.20
25	Climax Telephone Company - CLEC	CLEC	\$42,836.79
26	Consumers Energy	CLEC	\$1,052.95
360	Crown Castle-NG Central Inc.	CLEC	\$7,951.55
57	D&P Communications/ TC3 Telecom	CLEC	\$462.64
177	DayStar LLC d/b/a DayStar Communications	CLEC	\$23,857.61
27	DTE Energy Co.	CLEC	\$12,309.21
55	ExteNet Systems, Inc.	CLEC	\$35,294.40
897	Fiber Technologies Networks, L.L.C.	CLEC	\$348,310.02
54	Ford Motor Company	CLEC	\$3,130.90
257	Genesee Intermediate School District	CLEC	\$2,306.40
29	Global Crossing North American Networks, Inc.	CLEC	\$19,223.65
30	Great Lakes Commet, Inc	CLEC	\$133,420.99
31	Holland Board of Public Works	CLEC	\$22,935.50
28	Intellifiber Networks, Inc	CLEC	\$116.95
34	Level 3 Communications, LLC	CLEC	\$45,344.19
277	Local Exchange Carriers of Michigan	CLEC	\$7,094.00
817	Lynx Network Group, Inc.	CLEC	\$12,563.66
358	Macomb Educational Telecommunications System Consortium	CLEC	\$28,477.90
36	MCimetro Access Transmission Services, LLC	CLEC	\$147,361.55
37	McLeodUSA Telecommunications Services, Inc	CLEC	\$334,912.62
317	Media One Communications, LLC	CLEC	\$925.88
998	MEI Telecom Services	CLEC	\$917.03
357	Merit Network, Inc. (Exempt)	CLEC	\$20,089.60
837	MidMichigan Health	CLEC	\$490.25
39	Midwest Communication Services, Inc	CLEC	\$4,442.85
917	Midwest Energy Cooperative	CLEC	\$43,192.19
557	Midwest Fiber Networks	CLEC	\$412.10
40	Nextel West Corp	CLEC	\$47,252.80
337	Ottawa Area Intermediate School District	CLEC	\$2,111.95
56	Peninsula Fiber Network, LLC	CLEC	\$61,475.45
42	Qwest Communications Company, LLC	CLEC	\$14,535.30
477	Southwest Michigan Communications, Inc.	CLEC	\$18,044.75
43	Sprint Communications LP	CLEC	\$970.00
45	TDS Metrocom, LLC	CLEC	\$23,488.50

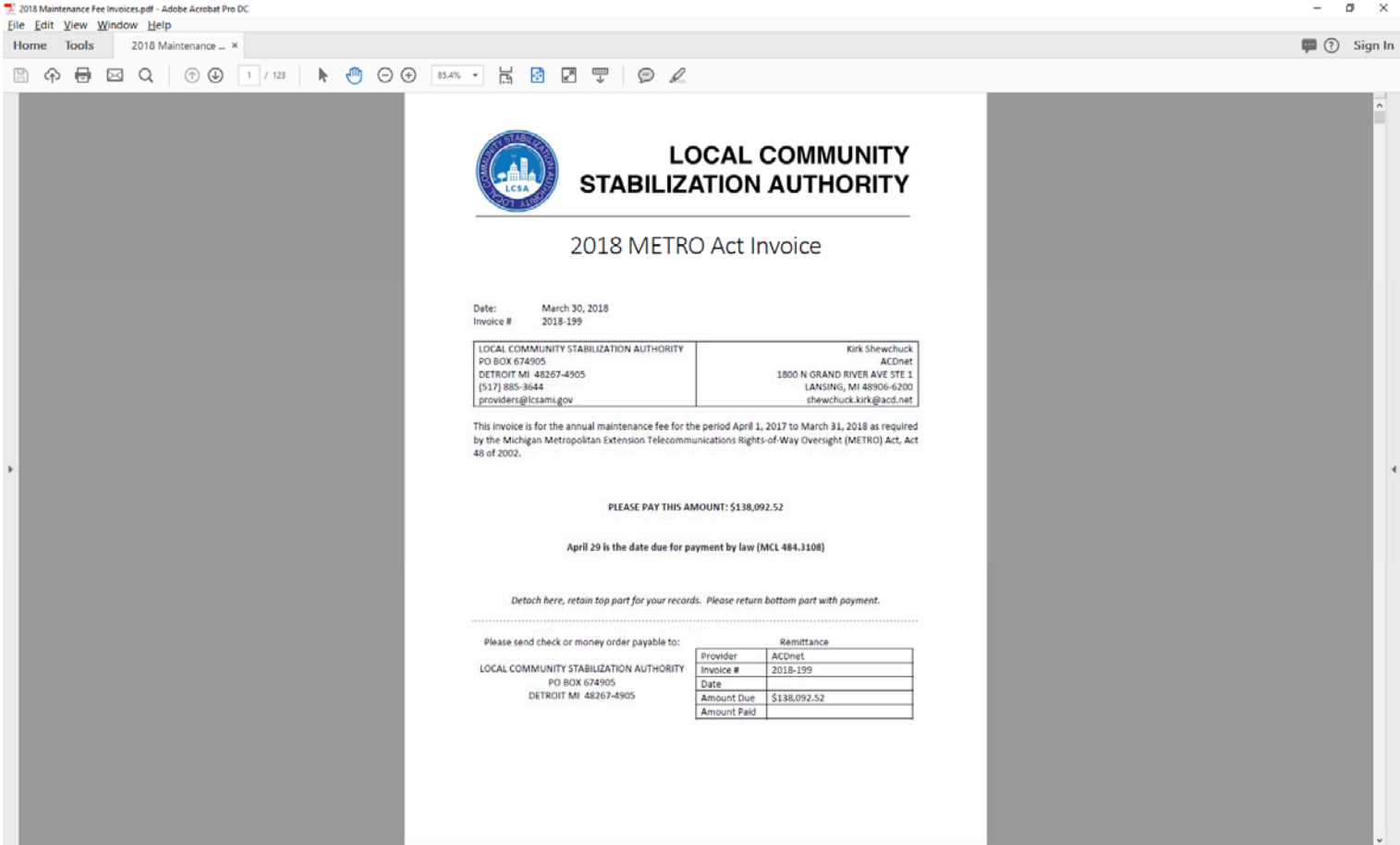
Cable Maintenance Fees

PROVIDERID	Provider	Type Name	Linear Feet	Reported Aggregate Investment Since 1/1/1996	Current Year Maintenance Fee	Prior Years Aggregate Maintenance Fees	Total Aggregate Maintenance Fee	Agg Investment Exceeds Agg Maint Fee	Maintenance Fee
1	Bright House Networks	Cable	8,507,453	\$24,530,674.00	\$85,074.53	\$1,212,732.35	\$1,297,806.88	Y	\$0.00
2	Buckeye CableSystems, Inc.	Cable	2,593,655	\$20,707,007.48	\$25,936.55	\$359,704.54	\$385,641.09	Y	\$0.00
3	Charter Communications	Cable	92,447,452	\$436,166,257.00	\$924,474.52	\$12,335,791.60	\$13,260,266.12	Y	\$0.00
5	Coldwater Board of Public Utilities	Cable	566,528	\$8,400,000.00	\$5,665.28	\$71,458.97	\$77,124.25	Y	\$0.00
6	Comcast Cable Communications	Cable	84,659,658	\$2,809,725,338.00	\$846,596.58	\$14,437,148.36	\$15,283,744.94	Y	\$0.00
7	D&P Cable Inc.	Cable	647,073	\$1,561,278.00	\$6,470.73	\$53,070.14	\$59,540.87	Y	\$0.00
8	Iron River Co-operative TV	Cable	286,433	\$499,034.88	\$2,864.33	\$40,734.15	\$43,598.48	Y	\$0.00
9	WideOpenWest Mid-Michigan, LLC	Cable	9,518,377	\$200,855,558.00	\$95,183.77	\$980,510.22	\$1,075,693.99	Y	\$0.00
10	Northside TV Corporation	Cable	106,480	\$290,000.00	\$1,064.80	\$12,698.62	\$13,763.42	Y	\$0.00
11	Parish Communications	Cable	340,658	\$348,210.00	\$3,406.58	\$34,940.32	\$38,346.90	Y	\$0.00
12	Springcom Inc.	Cable	393,580	\$2,024,892.00	\$3,935.80	\$59,037.00	\$62,972.80	Y	\$0.00
13	Time Warner Cable - Wisconsin Division	Cable	387,766	\$1,608,868.00	\$3,877.66	\$55,945.33	\$59,822.99	Y	\$0.00
14	TVC Incorporated	Cable	428,466	\$4,671,103.00	\$4,284.66	\$46,098.40	\$50,383.06	Y	\$0.00
15	WideOpenWest Michigan, LLC	Cable	31,771,954	\$336,712,005.00	\$317,719.54	\$4,295,234.12	\$4,612,953.66	Y	\$0.00
198	Town & Country Cable	Cable	261,480	\$1,050,000.00	\$2,614.80	\$25,521.60	\$28,136.40	Y	\$0.00
577	CableAmerica	Cable	300,960	\$737,424.00	\$3,009.60	\$24,288.00	\$27,297.60	Y	\$0.00
737	Michigan Cable Partners Inc.	Cable	1,520,640	\$2,665,758.92	\$15,206.40	\$78,144.00	\$93,350.40	Y	\$0.00
997	Negaunee Cable Co.	Cable	328,785	\$38,932.83	\$3,287.85	\$9,345.60	\$12,633.45	Y	\$0.00
717	Lighthouse Net	Cable	3,890	\$335,395.00	\$38.90	\$5,695.28	\$5,734.18	Y	\$0.00
697	City of Norway	Cable	328,785	\$15,000.00	\$3,287.85	\$19,727.10	\$23,014.95	N	\$3,287.85
757	Sister Lakes Cable TV	Cable	177,244	\$154,876.00	\$1,772.44	\$10,634.64	\$12,407.08	Y	\$0.00

Broadband Maintenance Fees

	C	D	F	G
10	PROVIDERID	Provider	Type Name	Maintenance Fee
11	199	ACDnet	Broadband	\$138,092.52
12	22	Agri-Valley Services Corporation	Broadband	\$0.00
13	877	Bloomingdale Communications, Inc.	Broadband	\$10,929.32
14	637	Crystal Automation Systems, Inc. dba Casair, Inc.	Broadband	\$2,933.71
15	597	Merit Network, Inc.	Broadband	\$152,418.03
16	977	Momentum Fiber, LLC	Broadband	\$0.00
17	957	Rocket Fiber	Broadband	\$9,723.10
18	217	Westphalia Broadband, Inc., dba Comlink	Broadband	\$6,065.39
19	617	Zayo Bandwidth	Broadband	\$0.00
20				
21				
22				
23				
24				
25				

2018 METRO Act Invoices



2018 METRO Act Administration

Next Steps

- Collect maintenance fees from providers
- Prepare payment template for nearly 1,800 municipalities
- Invite those municipalities to register for direct deposit
- Calculate payments for more than 1,200 townships
- MDOT calculates payments for cities and villages
- Distribute fee sharing payments by May 31

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Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

DATE: April 5, 2018
TO: Executive Committee
FROM: Robert Bruner, CEO
SUBJECT: FYE 2017 Change in Net Position

The Executive Committee budgeted for a \$26,000 decrease in net position during FYE 2017. However, the audit showed a \$215,973 decrease in net position, a budget variance of \$189,973. I provided a brief explanation in a memo dated March 1.

I subsequently did some additional research and found a \$47,963 payable was recorded twice during FYE 2017. Accordingly, the Authority's net position decreased by only \$168,010 rather than \$215,973. This increases the FYE 2017 ending net position from \$322,659 to \$370,624 and reduces the budget variance from \$189,973 to \$142,010.

In addition, I discovered a \$33,153 payable recorded in FYE 2017 should have been recorded in FYE 2016. That does not change the Authority's current net position. However, it decreases the FYE 2016 ending net position from \$538,632 to \$505,481 and reduces the FYE 2017 budget variance from \$142,010 to \$108,857.

Budgeted Change in Net Position	(\$26,000)	(\$26,000)	(\$26,000)
Actual Change in Net Position	(\$215,973)	(\$168,010)	(\$134,857)
FYE 2017 Budget Variance	(\$189,973)	(\$142,010)	(\$108,857)

Perhaps coincidentally, the Authority's restated FYE 2017 (\$134,857) change in net position was just a few dollars more than the \$130,140 advance payment the City of Detroit made to the Authority in January 2014. That that advance payment was subsequently applied towards expenses the Authority incurred in FYE 2017. The Authority would have nearly broken even in FYE 2017 if the advance payment had been recorded as unearned revenue.

Michigan Municipal Services Authority
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	FYE 2013	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019
	Audited	Audited	Audited	Restated	Restated	Amended	Projected
OPERATING REVENUES	\$95,193	\$2,196,995	\$3,311,528	\$3,929,622	\$5,094,654	\$2,569,508	\$2,512,025
Governing body				\$2,060	\$0	\$0	\$0
Chief executive (staff)				\$217,146	\$217,363	\$225,000	\$225,000
Accounting				\$15,471	\$6,486	\$16,000	\$16,000
Information technology				\$2,547	\$600	\$2,000	\$2,000
Attorney				\$14,459	\$30,775	\$16,000	\$16,000
Program management				\$73,552	\$0	\$25,000	\$25,000
Contractual services				\$3,538,335	\$4,974,287	\$2,392,035	\$2,207,500
OPERATING EXPENSES	\$85,758	\$2,003,988	\$3,074,541	\$3,863,570	\$5,229,511	\$2,676,035	\$2,491,500
CHANGE IN NET POSITION	\$9,435	\$193,007	\$236,987	\$66,052	(\$134,857)	(\$106,526)	\$20,525
BEGINNING NET POSITION	\$0	\$9,435	\$202,442	\$439,429	\$505,481	\$370,624	\$264,098
ENDING NET POSITION	\$9,435	\$202,442	\$439,429	\$505,481	\$370,624	\$264,098	\$284,623



LOCAL COMMUNITY STABILIZATION AUTHORITY

DATE: March 23, 2018
TO: Authority Council
FROM: Robert Bruner, administrator
SUBJECT: November 2017 LCSS Corrections

Background

As I shared via email on March 2, eight errors were made in the November 2017 Local Community Stabilization Share (LCSS) distribution:

- CITY OF GRANDVILLE
- CITY OF GRANT
- CITY OF GRAYLING
- CITY OF GREENVILLE
- CITY OF GROSSE POINTE
- CITY OF GROSSE POINTE FARMS
- CITY OF GROSSE POINTE PARK
- CITY OF GROSSE POINTE SHORES

Two checks were sent to CITY OF GRANDVILLE and CITY OF GROSSE POINTE SHORES was omitted. The others received the wrong amounts. In addition, the amounts sent to VILLAGE OF WOLVERINE and VILLAGE OF WOLVERINE LAKE were switched so each received the amount intended for the other. The purpose of this memo is to explain why these mistakes occurred and what has been done to prevent similar mistakes in the future.

Distribution Process

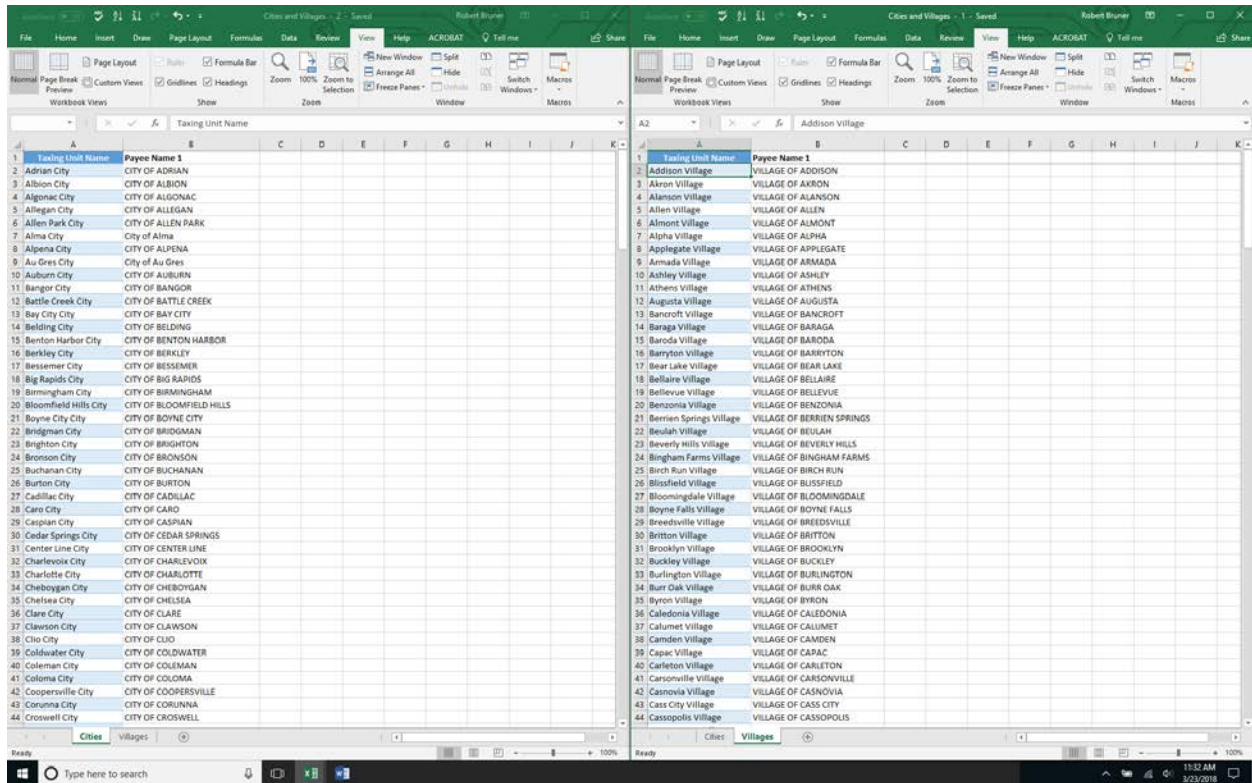
Each of the three annual Local Community Stabilization Share distributions (County Allocated Payments; Winter Millage Payments; and Other Millages Payments) begins when the Michigan Department of Treasury (Treasury) provides the Authority with the name of each municipality entitled to receive a payment; the amount of the payment; and other information, if any, Treasury determines would facilitate timely payments by the Authority.

The Problem

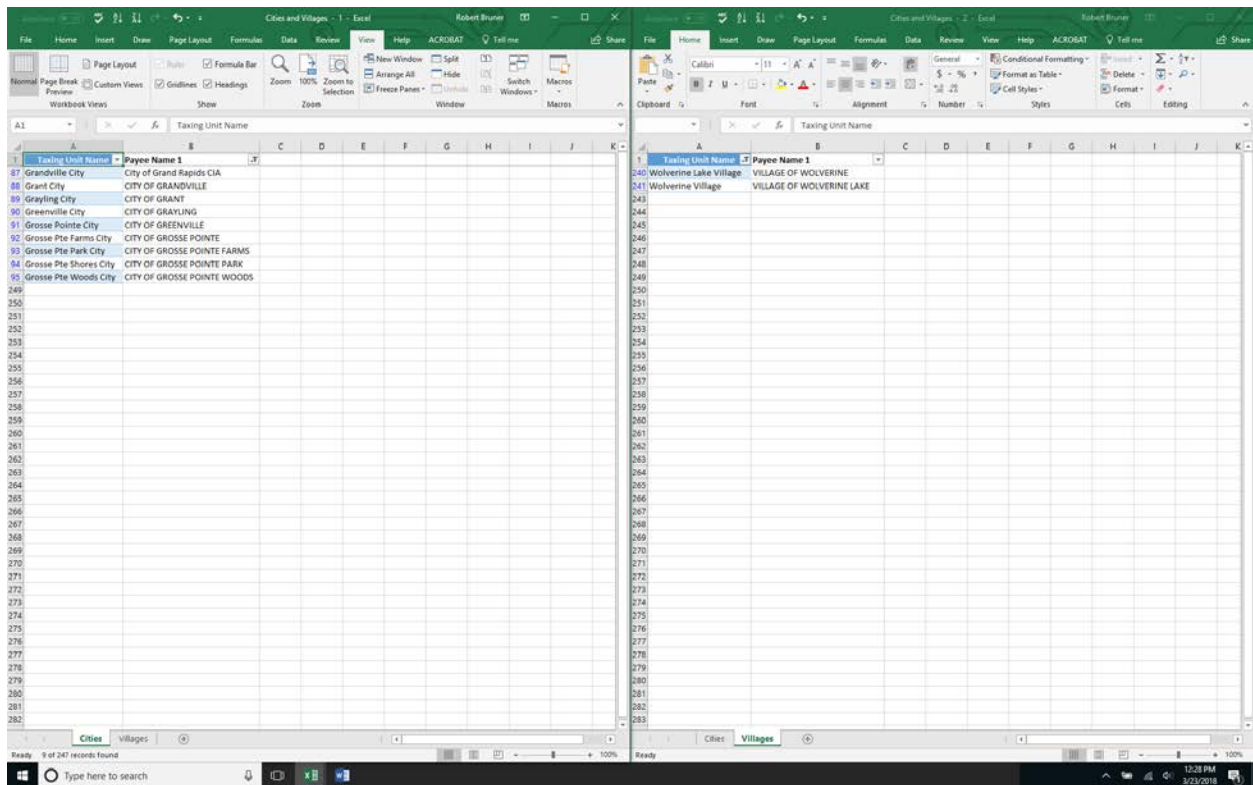
As you can see, the spreadsheet from Treasury has six columns and the spreadsheet the Authority prepares for the bank has seventeen columns. The Authority's task is to match the "Taxing Unit Name" in column A and the amount in column F from the Treasury spreadsheet to the corresponding "Payee Name 1" in column E and the amount in column C of the bank spreadsheet. However, Treasury provides the "Taxing Unit Name" to the Authority in a different format than the Authority provides it to the bank.

For example, Treasury provides the Authority with the name "Harrisville City" and the Authority provides the bank with the name "CITY OF HARRISVILLE". The Authority does not have a way to automatically verify rows in the spreadsheet from Treasury are accurately matched to the corresponding rows in the bank spreadsheet, so this has been done manually in the past, including November 2017.

The "Other Municipalities PPT Reimbursements - November 2017" spreadsheet from Treasury included 634 taxing units consisting of 252 cities, 240 villages, 81 counties, 26 libraries, 21 colleges, and 14 authorities. The rows in both the Treasury and bank spreadsheets were sorted by unit type (city, village, county, library, college, or authority) and then the rows were visually matched as shown below:



Once the rows in each spreadsheet were sorted in the same order, the amounts in column F from the Treasury spreadsheet were copied and pasted into column C of the bank spreadsheet. However, the errors mentioned above were overlooked as shown below:



The Solution

Each row in the Treasury and bank spreadsheets needs a unique identifier to automatically verify each row is accurately matched. Fortunately, each spreadsheet provided by Treasury includes a unique identifier. Treasury provides the Authority with three different spreadsheets depending on the distribution. They include:

- Other Municipalities
- School Districts and Intermediate School Districts
- Tax Increment Financing (TIF) Plans

As you may have noticed above, Treasury’s “Other Municipalities” spreadsheet includes each municipality’s “Taxing Unit Code” in column B. Treasury uses different coding conventions for different types of municipalities, but they are unique and can be used to verify rows are accurately matched. Treasury’s “School Districts and Intermediate School Districts” spreadsheet includes each district’s five-digit Michigan Department of Education (MDE) code and it’s “Tax Increment Financing (TIF) Plans” spreadsheet includes a six-digit TIFA Code. Unfortunately, not all TIF Plans have a TIFA Code. The November 2017 TIF spreadsheet included 249 TIF Plans with a TIFA Code and 72 without. Nevertheless, this greatly reduces the need to manually verify rows are accurately matched. Examples of the “School Districts and Intermediate School Districts” and “Tax Increment Financing (TIF) Plans” spreadsheets are included below.

Copy of LCSA November 2017 SD and GO PPT Payment 11-7-17 - Local

School Districts and Intermediate School Districts PPT Reimbursements - November 2017

Taxing Unit Name	MDE Code	County Location	2016		Total November 2017 Reimbursement
			Reimbursement Adjustment	2017 Reimbursement	
Burt Township School District	02020 Alger		-	609.00	609.00
Wayland Union Schools	03040 Allegan/ Barry/ Kent		-	20,977.78	20,977.78
Saugatuck Public Schools	03080 Allegan		-	17,459.43	17,459.43
Hamilton Community Schools	03100 Allegan		-	255,054.78	255,054.78
Alpena-Montmorency-Alcona ISD	04000 Alpena/Alcona/Montmorency/Prisque Isle		-	43,472.33	43,472.33
Alpena Public Schools	04010 Alpena/Presque Isle		-	55,889.53	55,889.53
Central Lake Public Schools	05035 Antrim		-	158.16	158.16
Bellaire Public Schools	05040 Antrim		-	4,474.80	4,474.80
Ellsworth Community School	05065 Antrim/Charlevoix		-	852.00	852.00
Au Gres-Sims School District	06020 Arenac		-	5,293.09	5,293.09
L'Anse Area Schools	07040 Baraga/Houghton/Ontonagon		-	20,761.93	20,761.93
Bay-Arenac ISD	09000 Bay/Arenac/Gladwin/Saginaw		-	438,237.70	438,237.70
Bay City School District	09010 Bay/ Saginaw		-	175,469.78	175,469.78
Bangor Township Schools	09030 Bay		-	46,908.87	46,908.87
Frankfort-Elberta Area Schools	10025 Benzie		-	3,383.67	3,383.67
Benton Harbor Area Schools	11010 Berrien		37,550.50	57,479.85	95,030.35
St. Joseph Public Schools	11020 Berrien		-	66,244.48	66,244.48
Lakeshore School District (Berrien)	11030 Berrien		-	49,913.77	49,913.77
New Buffalo Area Schools	11200 Berrien		-	6,550.96	6,550.96
Berrien Springs Public Schools	11240 Berrien		-	10,024.85	10,024.85
Buchanan Community Schools	11310 Berrien		-	13,193.46	13,193.46
Coldwater Community Schools	12010 Branch		-	25,528.15	25,528.15
Battle Creek Public Schools	13020 Calhoun		-	1,265,271.54	1,265,271.54
Harper Creek Community Schools	13070 Calhoun		-	29,590.68	29,590.68
Lakeview School District (Calhoun)	13090 Calhoun		-	22,508.52	22,508.52
Marshall Public Schools	13110 Calhoun		-	114,048.42	114,048.42

Copy of LCSA November 2017 TIF PPT Payment 11-7-17 - Local

Tax Increment Financing (TIF) Plans - PPT Reimbursements - November 2017

Tax Increment Finance Authority (TIFA) Name	TIFA Identifier	TIFA Code	County Location	2016 Capture		Total November 2017 Reimbursement
				Reimbursement Adjustment	2017 Capture Reimbursement	
Ada Township DDA		417551	Kent		\$ 121,853.10	\$ 121,853.10
Albion City DDA		137532	Calhoun		\$ 11,511.33	\$ 11,511.33
Albion City TIFA		137533	Calhoun		\$ 41,503.40	\$ 41,503.40
Allegan City DDA		037524	Allegan		\$ 82,180.61	\$ 82,180.61
Allen Park City DDA	Part 1 Allen Park SD	827573	Wayne		\$ 43,100.99	\$ 43,100.99
Allen Park City DDA	Part 2 Melvindale SD	827573	Wayne		\$ 338,187.41	\$ 338,187.41
Allendale Township DDA	A11		Ottawa		\$ 67,781.32	\$ 67,781.32
Almont Village DDA		447518	Lapeer		\$ 23,826.15	\$ 23,826.15
Alpena City DDA			Alpena		\$ 15,101.73	\$ 15,101.73
Au Gres City TIFA		067504	Arenac		\$ 39,780.50	\$ 39,780.50
Auburn Hills City BRFA	02B1PONT		Oakland		\$ 6,154.81	\$ 6,154.81
Auburn Hills City TIFA	02-T1-AVON-1984	637615	Oakland		\$ 8,320.21	\$ 8,320.21
Auburn Hills City TIFA	02-T1-PONT-1984	637616	Oakland		\$ 146,511.13	\$ 146,511.13
Auburn Hills City TIFA	02-T2-PONT-1984	637615	Oakland		\$ 173,821.56	\$ 173,821.56
Auburn Hills City TIFA	02-T3-PONT-1986	637617	Oakland		\$ 601,122.29	\$ 601,122.29
Bad Axe City TIFA			Huron		\$ 6,150.28	\$ 6,150.28
Baldwin Village DDA		437502	Lake		\$ 13,344.51	\$ 13,344.51

Implementation

After identifying the problem and solution in November, a template was created to automatically verify each row of the February distribution was accurately matched by entering the Taxing Unit Code in column G of the bank spreadsheet and adding a new column H called "Match" as show below:

Check Number	Check Date	Amount	Mailtype	Payee Name 1	Payee Name 2	Payee ID	Match	Address
auto	02/20/2018		US	ALCONA COUNTY	TREASURER	01-0000		PO BOX
auto	02/20/2018		US	ALCONA TOWNSHIP	TREASURER	01-1010		
auto	02/20/2018		US	CALEDONIA TOWNSHIP	TREASURER	01-1020		PO BOX
auto	02/20/2018		US	CURTIS TOWNSHIP	TREASURER	01-1030		PO BOX

Once again, Treasury provided the information in a spreadsheet that looked like this:

Taxing Unit Name	Taxing Unit Code	County Location	2016 Reimbursement Adjustment	2017 Reimbursement	Total February 2018 Reimbursement
Alcona County	01-0000	Alcona	(39.10)	5,991.41	5,952.31
Alcona Township	01-1010	Alcona	-	848.58	848.58
Caledonia Township	01-1020	Alcona	-	907.49	907.49
Curtis Township	01-1030	Alcona	-	352.75	352.75
Greenbush Township	01-1040	Alcona	(7.06)	381.62	374.56
Gustin Township	01-1050	Alcona	(44.93)	4,223.07	4,178.14
Harrisville Township	01-1060	Alcona	(1.34)	224.67	223.33
Hawes Township	01-1070	Alcona	-	470.71	470.71
Haynes Township	01-1080	Alcona	-	18.63	18.63
Mikado Township	01-1090	Alcona	(8.06)	1,335.15	1,327.09
Mitchell Township	01-1110	Alcona	(1.87)	389.84	387.97
Alger County	02-0000	Alger	36.29	59,322.82	59,359.11
Au Train Township	02-1010	Alger	-	2,909.47	2,909.47
Burt Township	02-1020	Alger	(0.02)	1,206.73	1,206.71
Grand Island Township	02-1030	Alger	(2.04)	467.26	465.22
Limestone Township	02-1040	Alger	-	16.07	16.07

The relevant data was copied and pasted into a worksheet called "Input" as shown below:

	A	B	C	D	E	F
1						
2						
3	Taxing Unit Name	Unit Code	Total February 2018 Reimbursement			
4	Alcona County	01-0000	5952.31			
5	Alcona Township	01-1010	848.58			
6	Caledonia Township	01-1020	907.49			
7	Curtis Township	01-1030	352.75			
8	Greenbush Township	01-1040	374.56			
9	Gustin Township	01-1050	4178.14			
10	Harrisville Township	01-1060	223.33			
11	Hawes Township	01-1070	470.71			
12	Haynes Township	01-1080	18.63			
13	Mikado Township	01-1090	1327.09			
14	Mitchell Township	01-1110	387.97			
15	Alger County	02-0000	59359.11			
16	Au Train Township	02-1010	2909.47			
17	Burt Township	02-1020	1206.71			
18	Grand Island Township	02-1030	465.22			
19	Limestone Township	02-1040	16.07			
20	Mathias Township	02-1050	145.59			
21	Munising Townshin	02-1060	747.13			

A formula was used to verify the Taxing Unit Code from Treasury matched the Payee ID in the template.

	A	B	C	D	E	F	G	H
1	[Name]							
2	[Account #]							
3	Check Number	Check Date	Amount	Mailtype	Payee Name 1	Payee Name 2	Payee ID	Match
4	auto	02/20/2018	5,952.31	US	ALCONA COUNTY	TREASURER	01-0000	TRUE
5	auto	02/20/2018	848.58	US	ALCONA TOWNSHIP	TREASURER	01-1010	TRUE
6	auto	02/20/2018	907.49	US	CALEDONIA TOWNSHIP	TREASURER	01-1020	TRUE
7	auto	02/20/2018	352.75	US	CURTIS TOWNSHIP	TREASURER	01-1030	TRUE
8	auto	02/20/2018	374.56	US	GREENBUSH TOWNSHIP	TREASURER	01-1040	TRUE
9	auto	02/20/2018	4,178.14	US	GUSTIN TOWNSHIP	TREASURER	01-1050	TRUE
10	auto	02/20/2018	223.33	US	HARRISVILLE TOWNSHIP	TREASURER	01-1060	TRUE
11	auto	02/20/2018	470.71	US	HAWES TOWNSHIP	TREASURER	01-1070	TRUE
12	auto	02/20/2018	18.63	US	HAYNES TOWNSHIP	TREASURER	01-1080	TRUE
13	auto	02/20/2018	1,327.09	US	MIKADO TOWNSHIP	TREASURER	01-1090	TRUE
14	auto	02/20/2018	387.97	US	MITCHELL TOWNSHIP	TREASURER	01-1110	TRUE
15	auto	02/20/2018	59,359.11	US	ALGER COUNTY	TREASURER	02-0000	TRUE
16	auto	02/20/2018	2,909.47	US	AU TRAIN TOWNSHIP	TREASURER	02-1010	TRUE
17	auto	02/20/2018	1,206.71	US	BURT TOWNSHIP	TREASURER	02-1020	TRUE
18	auto	02/20/2018	465.22	US	GRAND ISLAND TOWNSHIP	TREASURER	02-1030	TRUE
19	auto	02/20/2018	16.07	US	LIMESTONE TOWNSHIP	TREASURER	02-1040	TRUE
20	auto	02/20/2018	145.59	US	MATHIAS TOWNSHIP	TREASURER	02-1050	TRUE
21	auto	02/20/2018	747.13	US	MUNISING TOWNSHIP	TREASURER	02-1060	TRUE
22	auto	02/20/2018	396.25	US	ONOTA TOWNSHIP	TREASURER	02-1070	TRUE

Once any mismatches were corrected, the values in the “Template” worksheet were copied and pasted into a worksheet called “Output” as shown below:

Check Number	Date	Amount	Malttype	Payee Name 1	Payee Name 2	Payee ID	Address Line 1	Payee Address Line 2	Payee City	Payee State	Payee Postal Code	Payee Country
41	2/20/2018	5,952.31	US	ALCONA COUNTY	TREASURER	01-0000	PO BOX 158		HARRISVILLE	MI	48740	USA
5	2/20/2018	848.58	US	ALCONA TOWNSHIP	TREASURER	01-1010		4892 LAVERGNE RD	BLACK RIVER	MI	48721	USA
6	2/20/2018	907.49	US	CALEDONIA TOWNSHIP	TREASURER	01-1020	PO BOX 7		SPRUCE	MI	48762	USA
7	2/20/2018	352.75	US	CURTIS TOWNSHIP	TREASURER	01-1030	PO BOX 90		GLENNE	MI	48737	USA
8	2/20/2018	374.56	US	GREENBUSH TOWNSHIP	TREASURER	01-1040	PO BOX 9		GREENBUSH	MI	48738	USA
9	2/20/2018	4,178.14	US	GUSTIN TOWNSHIP	TREASURER	01-1050	PO BOX 25		LINCOLN	MI	48742	USA
10	2/20/2018	223.33	US	HARRISVILLE TOWNSHIP	TREASURER	01-1060	PO BOX 565	643 S US 23	HARRISVILLE	MI	48740	USA
11	2/20/2018	470.71	US	HAWES TOWNSHIP	TREASURER	01-1070		1341 N FAWN DR	LINCOLN	MI	48742	USA
12	2/20/2018	18.63	US	HAYNES TOWNSHIP	TREASURER	01-1080		3110 LAKEVIEW CIR	LINCOLN	MI	48742	USA
13	2/20/2018	1,327.09	US	MIRADO TOWNSHIP	TREASURER	01-1090	PO BOX 60		MIRADO	MI	48745	USA
14	2/20/2018	387.97	US	MITCHELL TOWNSHIP	TREASURER	01-1110		6849 W TOWER RD	CURRAN	MI	48728	USA
15	2/20/2018	59,359.11	US	ALGER COUNTY	TREASURER	02-0000		101 COURT STREET	MUNISING	MI	49826	USA
16	2/20/2018	2,909.47	US	AU TRAIN TOWNSHIP	TREASURER	02-1010	PO BOX 33		AU TRAIN	MI	49806	USA
17	2/20/2018	1,206.71	US	BURT TOWNSHIP	TREASURER	02-1020	PO BOX 430		GRAND MARAIS	MI	49839	USA
18	2/20/2018	465.22	US	GRAND ISLAND TOWNSHIP	TREASURER	02-1030	PO BOX 215		MUNISING	MI	49862	USA
19	2/20/2018	16.07	US	LIMESTONE TOWNSHIP	TREASURER	02-1040		N2690 STATE HWY M-67	LIMESTONE	MI	49816	USA
20	2/20/2018	145.59	US	MATHIAS TOWNSHIP	TREASURER	02-1050	PO BOX 317		TREARY	MI	49891	USA
21	2/20/2018	747.13	US	MUNISING TOWNSHIP	TREASURER	02-1060	PO BOX 190		WETMORE	MI	49895	USA
22	2/20/2018	396.25	US	ONOTA TOWNSHIP	TREASURER	02-1070	PO BOX 100		DEERTON	MI	49822	USA
23	2/20/2018	64.24	US	ROCK RIVER TOWNSHIP	TREASURER	02-1080	PO BOX 195		CHATHAM	MI	49816	USA
24	2/20/2018	9,615.02	US	ALLEGAN COUNTY	TREASURER	03-0000		113 CHESTNUT ST	ALLEGAN	MI	49010	USA
25	2/20/2018	4,827.45	US	FENNVILLE DISTRICT LIBRARY	TREASURER	0301	PO BOX 1130	400 WEST MAIN STREET	FENNVILLE	MI	49408	USA
26	2/20/2018	3,362.95	US	HENIKA DISTRICT LIBRARY	TREASURER	0302		149 SOUTH MAIN STREET	WAYLAND	MI	49348	USA
27	2/20/2018	69,271.08	US	OTSEGO PUBLIC LIBRARY	TREASURER	0303		401 DIX STREET	OTSEGO	MI	49078	USA
28	2/20/2018	1,846.66	US	SAUGATUCK-DOUGLAS DISTRICT LIBRARY	TREASURER	0305	PO BOX 789	10 MIXER STREET	DOUGLAS	MI	49406	USA
29	2/20/2018	2,206.55	US	SAUGATUCK INTERURBAN TRANSIT AUTHORITY	TREASURER	0307		100 WILEY ROAD	DOUGLAS	MI	49406	USA
30	2/20/2018	619.92	US	ALLEGAN TOWNSHIP	TREASURER	03-1010		3037 118TH AVE	ALLEGAN	MI	49010	USA
31	2/20/2018	7,614.15	US	CASCO TOWNSHIP	TREASURER	03-1020		7104 107TH AVE	SOUTH HAVEN	MI	49090	USA
32	2/20/2018	8,063.23	US	CHESHIRE TOWNSHIP	TREASURER	03-1030		630 38TH ST	ALLEGAN	MI	49010	USA
33	2/20/2018	591.84	US	CLYDE TOWNSHIP	TREASURER	03-1040	PO BOX 671		FENNVILLE	MI	49408	USA
34	2/20/2018	1,504.32	US	DORR TOWNSHIP	TREASURER	03-1050		4196 18TH ST	DORR	MI	49323	USA
35	2/20/2018	2,643.55	US	FILMORE TOWNSHIP	TREASURER	03-1060		4219 52ND ST	HOLLAND	MI	49423	USA
36	2/20/2018	4,443.10	US	GANGES TOWNSHIP	TREASURER	03-1070		1904 64TH ST	FENNVILLE	MI	49408	USA
37	2/20/2018	19,776.67	US	GUN PLAIN TOWNSHIP	TREASURER	03-1080	PO BOX 146		PLAINWELL	MI	49080	USA
38	2/20/2018	7,897.47	US	HEATH TOWNSHIP	TREASURER	03-1090	PO BOX 241		HAMILTON	MI	49419	USA
39	2/20/2018	612.09	US	HOPKINS TOWNSHIP	TREASURER	03-1100	PO BOX 217	128 S FRANKLIN ST	HOPKINS	MI	49348	USA

The column H called “Match” was then deleted to return the spreadsheet to the format required by the bank. As a result, 1,475 municipalities and 201 school districts were paid in February without any known errors. Similar templates will be used to ensure the September (county allocated millages) and October (other millages) 2018 distributions are accurate.



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

**EXECUTIVE COMMITTEE
RESOLUTION 2018-04**

Approve Settlement Agreement with CGI Technology Solutions, Inc.
and Genesee County

Genesee County wants to end its participation in the agreement dated March 31, 2015 under which the Michigan Municipal Service Authority (“**MMSA**”) entered into an agreement (the “**Agreement**”) with CGI Technology Solutions, Inc. (“**CGI**”), the City of Grand Rapids (“**Grand Rapids**”), Genesee County (“**Genesee**”), and Kent County (“**Kent**”).

Under the Agreement, the MMSA offers a cloud-based financial management system to local governmental entities throughout Michigan using CGI’s proprietary CGI Advantage360® solution using a software as a service model. CGI also provides related implementation, support, and other consulting services to Grand Rapids, Genesee, and Kent via the MMSA.

CGI has proposed a settlement agreement with Genesee and the MMSA to end Genesee’s participation in the Agreement and resolve all outstanding claims among the parties relating to the Agreement. CGI and Genesee want the MMSA to join in the settlement agreement.

The executive committee of the Michigan Municipal Services Authority therefore resolves that the chief executive officer is hereby authorized on behalf of the Authority to sign and enter into a settlement agreement with CGI and Genesee providing for the termination of Genesee’s participation in the Agreement and for the settlement of all claims by the parties, including amounts payable to CGI and the MMSA.

Secretary’s Certification:

I certify that this resolution was adopted by the executive committee of the Michigan Municipal Services Authority at a properly-noticed open meeting held with a quorum present on April 12, 2018.

By: _____
James Cambridge
Authority Secretary



CGI Technologies and Solutions Inc.
300 South Washington Square, Suite 405
Lansing, Michigan 48933
Tel. 248.496.4336

cgi.com

Delivery by Hand

April 10, 2018

Commissioner Mark Young
Chairman, Genesee County Board of Commissioners
Genesee County Administration Building – Room 223
1101 Beach Street
Flint, Michigan 48502-1470

Robert J. Bruner, Jr.
Chief Executive Officer
Michigan Municipal Services Authority
200 Townsend Street, Suite 900
Lansing, Michigan 48933-1529

Gentlemen:

This letter agreement (“Letter Agreement”) memorializes the agreement of Genesee County (“County”), the Michigan Municipal Services Authority (“MMSA”), and CGI Technologies and Solutions Inc. (“CGI”) concerning termination of the following agreements as between MMSA and CGI, on the one hand, and the County, on the other (collectively, “Agreements”):

- The FMS Program – CGI Advantage360 Service Agreement, dated March 31, 2015, among MMSA, CGI, and Participating Municipalities (including Genesee County, Kent County, City of Grand Rapids) (“Program Agreement”)
- The Participation Agreement, dated June 1, 2015, among MMSA, Genesee County, and CGI
- The Implementation and Support Services Agreement, dated June 1, 2015, between Genesee County and CGI

The Program Agreement otherwise remains in full force and effect between MMSA and CGI.

Once executed by you both in the spaces provided, this Letter Agreement shall be effective on the date of such execution and shall constitute an amendment of the Agreements. In the event of a conflict between the terms of this Letter Agreement and the terms of the Agreements, this Letter Agreement shall control.

1. For the convenience of the County, the Agreements as they relate to the County, shall terminate on March 30, 2018. In accordance with Section 7.2.D of the Program Agreement, CGI will promptly return to the County any data or other County materials not previously returned to the County. The County agrees that, beyond satisfaction of CGI’s obligation under this Paragraph 1, CGI and MMSA have no further obligation to perform services or to provide deliverables under the Agreements.



2. No later than fourteen (14) calendar days following execution of this Letter Agreement, the County will pay to CGI and MMSA \$752,918.75. Payment will be made by the County per the right hand column noted in ATTACHMENT 1.
3. Subject to execution of this Letter Agreement and payment in full of the amount specified in Paragraph 2, CGI and MMSA agree that the County has no further payment obligations to them under the Original Agreement.
4. None of the parties to this Letter Agreement will make any statement to any third party that disparages the other parties' performance under the Agreements or any other existing agreement between the parties, nor will any party make a statement to any third party that disparages any person or persons involved in performance of the Agreements.
5. Except for obligations assumed in this Letter Agreement, the County hereby releases CGI and MMSA, and CGI and MMSA hereby release the County, and each of their respective directors, officers, agents, employees, representatives, insurers, parents, and subsidiaries, from any and all claims that either may have against the other arising out of or relating to the Agreements.

If the foregoing accurately states our agreement to amend the Agreements, please sign below in the space provided (two signed originals enclosed) and return one fully executed copy to me.

Respectfully,

Jon Jasper
Vice President, Consulting Services

SO AGREED:

Mark Young
Chairman, Genesee County Board of Commissioners

Date

Robert J. Bruner, Jr.
CEO, Michigan Municipal Services Authority

Date



CGI Technologies and Solutions Inc.
 300 South Washington Square, Suite 405
 Lansing, Michigan 48933
 Tel. 248.496.4336

cgi.com

**ATTACHMENT 1
 DISPOSITION OF OUTSTANDING CGI INVOICES**

CGI Invoice Number	CGI Invoice Description	Remaining Amount Due on CGI Invoice	Agreed Dispositon of CGI Invoice	Genesee County COMMITMENT TO PAY (to CGI and MMSA)
US312042648	CCR 6 BPR Support	\$5,462.37	Pay Remainder in Full	\$5,462.37
US312042895	HRM Milestone BPD Inventory	\$8,207.53	Pay in Full	\$8,207.53
US312043507	Year 3 SaaS Subscription	\$912,000.00	CGI to Revise Invoice to MMSA - New Amount:	\$441,500.00
			MMSA 7% Fee to be reflected in MMSA's invoice	\$30,905.00
US312043880	CCR5 Finance Extension	\$266,117.40	CGI to Revise Invoice - New Amount:	\$47,793.65
US312043881	HRM Milestone August Services (full reversal)	\$95,000.00	CGI to Cancel Invoice	\$0.00
US312043883	FM Milestone Reports Complete	\$31,202.10	Pay in Full	\$31,202.10
US312043884	FM Milestone Interfaces (includes credit of \$6,408 for BSA interface)	\$92,277.00	Pay Remainder in Full	\$92,277.00
US312043890	Retainage (includes reversal for removal of BSA interface from scope)	\$95,571.10	Pay Remainder in Full	\$95,571.10
			TOTAL DUE	\$752,918.75



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

EXECUTIVE COMMITTEE RESOLUTION 2018-05

Approve Amendment No. 1 to FMS Program-CGI Advantage360[®] Service Agreement

On March 31, 2015, the Michigan Municipal Service Authority (“**MMSA**”) entered into an agreement (the “**Agreement**”) with CGI Technology Solutions, Inc. (“**CGI**”), the City of Grand Rapids (“**Grand Rapids**”), Genesee County (“**Genesee**”), and Kent County (“**Kent**”). Genesee has terminated its participation in the agreement.

Under the Agreement, the MMSA offers a cloud-based financial management system (“**FMS**”) to local governmental entities throughout Michigan using CGI’s proprietary CGI Advantage360[®] solution using a software as a service (“**SaaS**”) model. CGI also provides related implementation, support, and other consulting services to Grand Rapids and Kent (together the “**Participating Municipalities**”) via the MMSA.

To provide a more scalable, secure, and cost-effective, cloud-based SaaS solution, CGI wants to use an infrastructure as a service (“**IaaS**”) solution—Microsoft Azure Services—to host CGI Advantage360[®] instead of hosting CGI Advantage360[®] at a data center owned and operated by CGI as originally required under the Agreement.

CGI believes that there are tangible benefits to its clients (including the Participating Municipalities) by hosting the CGI Advantage360[®] FMS solution using Microsoft Azure Services.

CGI plans to migrate the CGI Advantage360[®] solution to the Microsoft Azure Services platform as part of an upcoming release update tentatively scheduled to occur later this year as CGI Advantage360[®] Release Update 9.

To facilitate this migration to IaaS, CGI will enter into an agreement with Microsoft Corporation, and will be required to comply with the terms and conditions of Microsoft Corporation’s standard volume licensing online services terms, including provisions relating to Microsoft Azure Services and any future changes to those terms (the “**Microsoft Terms**”).

CGI and the Participating Municipalities want to amend the Agreement to recognize CGI’s migration of the CGI System to the use of Microsoft Azure Services, CGI’s obligation under the Microsoft Terms, and the impact of the migration and CGI’s obligations under the Microsoft Terms upon the MMSA and the Participating Municipalities.

The executive committee of the Michigan Municipal Services Authority therefore resolves:

- that the attached Amendment No. 1 to the FMS Program-CGI Advantage360® Service Agreement dated March 31, 2015 (the “**Amendment**”), is hereby approved; and
- that the chief executive officer is hereby authorized to sign the Amendment on behalf of the MMSA.

Secretary's Certification:

I certify that this resolution was adopted by the executive committee of the Michigan Municipal Services Authority at a properly-noticed open meeting held with a quorum present on April 12, 2018.

By:

James Cambridge
Authority Secretary

4846-5828-2849.1

AMENDMENT NO. 1 TO FMS PROGRAM–CGI ADVANTAGE360® SERVICE
AGREEMENT

This amendment modifies the FMS Program CGI Advantage360® Service Agreement dated March 31, 2015 (the “**Agreement**”) originally between CGI TECHNOLOGIES AND SOLUTIONS INC., a Delaware corporation (“**CGI**”), the Michigan Municipal Services Corporation, a Michigan public body corporate (the “**MMSA**”), GENESEE COUNTY, a Michigan public body corporate (“**Genesee**”), the CITY OF GRAND RAPIDS, a Michigan public body corporate (“**Grand Rapids**”), and KENT COUNTY, a Michigan public body corporate (“**Kent**”).

Under the Agreement, the MMSA offers a cloud-based financial management system (“**FMS**”) to local governmental entities throughout Michigan using CGI’s proprietary CGI Advantage360® solution using a software as a service (“**SaaS**”) model. CGI also provides related implementation, support, and other consulting services to the MMSA and to Participating Municipalities, including Grand Rapids and Kent.

While an original participant, Genesee has terminated its participation and is no longer a Participating Municipality or a party to the Agreement.

To provide a more scalable, secure, and cost-effective, cloud-based SaaS solution, CGI wants to use an infrastructure as a service (“**IaaS**”) solution—Microsoft Azure Services—to host CGI Advantage360® instead of hosting CGI Advantage360® at a data center owned and operated by CGI.

CGI believes that there are tangible benefits to its clients (including the MMSA, Grand Rapids, Kent, and potential future Participating Municipalities) by hosting the CGI Advantage360® FMS solution using Microsoft Azure Services.

CGI states that CGI will remain the single point of accountability for CGI Advantage360® to the Participating Municipalities.

CGI plans to migrate the CGI Advantage360® solution to the Microsoft Azure Services platform as part of an upcoming release update tentatively scheduled to occur later in 2018 as CGI Advantage360® Release Update 9.

To facilitate this migration to IaaS, CGI will enter into an agreement with Microsoft Corporation, and will be required to comply with the terms and conditions of Microsoft Corporation’s standard volume licensing online services terms, including provisions relating to Microsoft Azure Services and any future changes to those terms (the “**Microsoft Terms**”).

The parties want to amend the Agreement to recognize CGI’s migration of the CGI System to the use of Microsoft Azure Services, CGI’s obligation under the Microsoft Terms, and the impact of the migration and CGI’s obligations under the Microsoft Terms upon the MMSA, Grand Rapids, Kent, and any future Participating Municipalities.

The parties therefore agree as follows:

1. **Defined Terms.** Defined terms used but not defined in this amendment are as defined in the Agreement. For purposes of this amendment and the Agreement as amended by this amendment, the following definitions apply:

(a) **“CGI Hosted Facility”** means a secure facility that hosts CGI System applications, infrastructure, and Participating Municipality Content.

(b) **“Microsoft”** means Microsoft Corporation, a Washington corporation.

(c) **“Microsoft Azure Services”** means the Microsoft services and features identified at <http://azure.microsoft.com/services/>, except those licensed separately, and includes any open source components incorporated by Microsoft in those services and features.

(d) **“Microsoft OST”** means the terms under Microsoft’s volume licensing online services terms document and program agreement in effect at the time of use and applicable to CGI’s use for a CGI Hosting Facility, the CGI System, or both, of a Microsoft online service, including Microsoft Azure Services, as a result of CGI’s subscription to a Microsoft Online Service through a Microsoft volume licensing program.

(e) **“Online Service”** means that term as defined under the Microsoft OST.

(f) **“Phase 1”** means the period beginning on the date of this amendment and ending at the beginning of Phase 2.

(g) **“Phase 2”** means the period beginning upon CGI’s provision of notice to each Participating Municipality under Section 18(c) of this amendment and ending upon the beginning of Phase 3.

(h) **“Phase 3”** means the period beginning upon CGI’s provision of notice to each Participating Municipality under Section 18(e) of this amendment.

2. **Redefine CGI Data Center and Participating Municipality Data.** The Agreement is hereby amended to: (a) replace each use of the term “CGI Data Center” and the term “CGI locations” with the term “CGI Hosting Facility”; (b) replace each use of the term “Participating Municipality data” and the term “data of a Participating Municipality” with the term “Participating Municipality Content”; and (c) clarify that any reference to CGI hardware or CGI infrastructure in the Agreement includes the CGI Hosting Facility.

3. **Amendment to Section 2.K.** Section 2.K of the Agreement is hereby amended by inserting the following after the last sentence of Section 2.K:

Content, including Content at rest, may not be processed or stored outside of the United States of America. Each Participating Municipality retains all right, title, and interest in and to its Content. If CGI uses Microsoft Azure Services for the CGI System, CGI shall

promptly notify the MMSA and each affected Participating Municipality of any of the following: (a) a change in the Microsoft OST that alters Microsoft's limited right to use Participating Municipality Content; (b) a change in any applicable acceptable use policy under the Microsoft OST; (c) a notice from Microsoft of a demand from law enforcement for Participating Municipality Content; (d) a notice from Microsoft of a request from any nonparty for Participating Municipality Content; and (e) a notification from Microsoft of a security incident affecting Participating Municipality Content. If CGI uses Microsoft Azure Services for the CGI System, CGI shall not direct the disclosure of Participating Municipality Content outside of Microsoft or its controlled affiliates or subsidiaries without the express written consent of the Participating Municipality. CGI's obligations under this agreement continue to apply notwithstanding a contrary provision of the Microsoft OST or any other agreement between CGI and Microsoft for the provision of Microsoft Azure Services for the CGI System or the use of Microsoft Azure Services by CGI for the CGI System. If CGI uses Microsoft Azure Services for the CGI System, all of the following will apply: (i) Microsoft will be a Subcontractor under this agreement, (ii) nothing in this agreement will impose an obligation on Microsoft in a manner inconsistent with the Microsoft OST, and (iii) neither the MMSA nor a Participating Municipality may require the removal of Microsoft as a Subcontractor under Section 2.L without CGI's consent. If CGI uses Microsoft Azure Services for the CGI System, CGI shall obtain or assign for each user of the CGI System and each device used to access the CGI System any subscription license or service license required under the Microsoft OST for the use of the CGI System at no additional cost to the MMSA or a Participating Municipality.

4. **Amendment to Section 3.B.** Section 3.B of the Agreement is hereby amended by inserting the following new sentence at the end of Section 3.B: "If CGI initiates migration of CGI Advantage360 to hosting using Microsoft Azure Services, CGI shall notify the MMSA and a Participating Municipality other than the City of Grand Rapids and Kent County at least 150 days before migrating CGI Advantage360 to hosting using Microsoft Azure Services and CGI shall support each Participating Municipality with that migration by implementing the Azure Migration Contingency Plan detailed on Schedule 6."

5. **Amendment to Section 14.F.** Section 14.F of the Agreement is hereby amended by inserting the following new sentence at the end of Section 14.F: "This agreement does not apply to either of the following if separately licensed by a Participating Municipality: (1) Microsoft Azure Services or (2) another Microsoft product or service."

6. **General Amendments to Schedule 2.** Schedule 2 of the Agreement is hereby amended by replacing each use of the term “Planned Availability” and the term “Planned Minutes of Availability” with “Planned Minutes Available” and by deleting the example provided for purposes of illustration in Section 1.D(1) of Schedule 2. For purposes of this amendment and Schedule 2 of the Agreement as amended by this amendment, “**Planned Minutes Available**” means the total minutes in the applicable month (for example, 60 minutes multiplied by 24 hours per day multiplied by the total days in the month) minus any minutes allotted for Scheduled Maintenance, Scheduled Outages, and Included Offline Processing.

7. **Amendment to Section 1.D(6) of Schedule 2.** Section 1.D(6) of Schedule 2 of the Agreement is hereby amended and restated to read in its entirety as follows:

(6) “Service Metrics Period” means 12:00 a.m. through 11:59 p.m. United States Eastern time zone, every day (otherwise known as 24/7/365), excluding Recognized Outages. During these hours, SLA metrics, reporting, and penalties will be applied to system availability. Online access to the CGI System will be provided if no Scheduled Maintenance, Scheduled Outage, or Included Offline Processing is occurring.

8. **Amendment to Section 1.O of Schedule 2.** Section 1.O of Schedule 2 of the Agreement is hereby amended and restated to read in its entirety as follows:

O. “Scheduled Maintenance” means the Standard Scheduled Maintenance period beginning at 12:00 a.m. on Saturday and ending at 11:00 p.m. on Sunday (Eastern Time) on the third weekend of each month plus other time periods of less than 12 hours during which CGI is performing planned maintenance on the CGI System after first providing written notice to the Participating Municipalities at least one week before the beginning of the time period. A Participating Municipality may notify CGI of Scheduled Maintenance that coincides with the Participating Municipality’s peak periods, when weekend work may be necessary on the part of the Participating Municipality. CGI shall work to mitigate the impacts of Scheduled Maintenance during such peak periods. If the CGI System is offline for a period longer than the communicated Scheduled Maintenance period, any overage time will be MD.

9. **Addition of Section 1.S of Schedule 2.** Section 1 of Schedule 2 of the Agreement is hereby amended by inserting after section 1.R of Schedule 2 the following new Section 1.S of Schedule 2:

5. "Scheduled Outage" means an outage documented, planned, and communicated in advance. Scheduled Outage includes Scheduled Maintenance periods. A Schedule Outage is not MD. MD includes unscheduled outages associated with a Critical Issue, as defined in Table 1, reported by any Party. Scheduled Outage does not include an Issue not attributable to CGI or a Subcontractor or caused by CGI or a Subcontractor.

10. **Amendment to Section 2.A(4) of Schedule 2.** Section 2.A(4) of Schedule 2 of the Agreement is hereby amended and restated to read in its entirety as follows:

(4) All user-id maintenance for a Managed Application used by a Participating Municipality will be performed by the Participating Municipality. All File Transfer Solution user-id maintenance for a Participating Municipality will be performed by the Participating Municipality. Disaster Recovery is based on a maximum production data loss ("Recovery Point Objective"), of 4 hours or less and a maximum production recovery time ("Recovery Time Objective") of 12 hours or less, and includes no more than one Disaster Recovery testing window per 12-month period. Replication and failover results from CGI's annual Disaster Recovery testing will be provided to each Participating Municipality.

11. **Amendment to Section 2.B(7) of Schedule 2.** Section 2.B(7) of Schedule 2 of the Agreement is hereby amended and restated to read in its entirety as follows:

(7) CGI shall coordinate and perform typical-level system and application backups required to support business operations and Disaster Recovery. The specific frequency and retention of the various required backups consists of a daily production database backup during any day when the CGI System is Generally Available, given that the Recovery Point Objective is 4 hours or less.

12. **Amendment to Section 3.A(3) of Schedule 2.** Section 3.A(3) of Schedule 2 of the Agreement is hereby amended by inserting the following additional new sentence at the end of Section 3.A(3): "The order of precedence (highest to lowest) is as follows: Application Availability, Critical Issue Resolution, and then Serious Issue Resolution."

13. **Amendment to Table 2 of Schedule 2.** The content of the table cell containing the minimum service level for the disaster recovery metric for Recovery Point Objective under Table 2 of Schedule 2 of the Agreement (included within Section

2.A(4) of Schedule 2 of the Agreement) is hereby amended and restated in its entirety to read as “No greater than 4 hours loss of data”.

14. **Addition of Schedule 6.** The Agreement is hereby amended by inserting after Schedule 5 of the Agreement the contents of Schedule 6 to this amendment as a new Schedule 6 of the Agreement.

15. **Amendment to Exhibit A (Participation Agreement Form).** Exhibit A to the Agreement is hereby amended and restated in its entirety with the contents of Exhibit A to this amendment.

16. **Amendment to Exhibit B (Implementation and Support Services Agreement Form).** Exhibit B to the Agreement is hereby amended and restated in its entirety with the contents of Exhibit B to this amendment.

17. **Counterparts.** If the parties sign this amendment in several counterparts, each will be deemed an original but all counterparts together will constitute one instrument.

18. **Date; Effectiveness.** (a) The date of this amendment will be the date this amendment is signed by the last party to sign it (as indicated by the date associated with that party’s signature). If any party signs but fails to date a signature, the date that CGI receives the signing party’s signature will be deemed to be the date that the signing party signed this amendment.

(b) During Phase 1, the provisions of the Agreement applicable before the date of this amendment and Section 3.B of the Agreement as amended by this amendment are effective and apply. During Phase 1, and at least 30 days before beginning Phase 2, CGI shall consult with each Participating Municipality about the timeframe for proceeding to Phase 2 and concerning implementation issues related to, and approaches to minimize the impact upon, each Participating Municipality of proceeding with implementation of Phase 2.

(c) CGI shall notify the MMSA and each Participating Municipality pursuant to Section 14.B of the Service Agreement of the beginning of migration of the CGI System to hosting using Microsoft Azure Services. In addition to the notice under Section 14.B of the Service Agreement, CGI shall notify its primary point of contact for each Participating Municipality by email at least 30 days before beginning Phase 2. During Phase 2, all of the following are effective and apply:

- (1) the CGI System will operate in parallel in both a CGI Data Center production and one or more nonproduction environments and in one or more Microsoft Azure Services nonproduction environments while Participating Municipality Content is uploaded to Microsoft Azure Services environments;
- (2) the provisions of the Agreement as amended by this amendment are effective and apply only to a Microsoft Azure Services nonproduction environment and

to Participating Municipality Content entered into a Microsoft Azure Services nonproduction environment; and

- (3) except as provided in Section 18(c)(2) of this amendment, the provisions of the Agreement applicable before the date of this amendment, Section 3.B of the Agreement as amended by this amendment and Schedule 6 of this Agreement as added by this amendment, are effective and apply.

(d) During Phase 2, CGI will begin take steps to prepare for full migration of the CGI System to Microsoft Azure Services in Phase 3. CGI will provision parallel environments using Microsoft Azure Services, including a production environment and one or more nonproduction environments for each Participating Municipality to enable transfer of Participating Municipality Content. During Phase 2, and before beginning Phase 3, CGI shall consult with each Participating Municipality about the timeframe for proceeding to Phase 3 and concerning implementation issues related to, and approaches to minimize the impact upon, each Participating Municipality of proceeding with Phase 3. During Phase 2 and before proceeding to Phase 3, CGI also shall provide each Participating Municipality with the opportunity to verify the accuracy of the Participating Municipality's Content transferred to a Microsoft Azure Services environment in Phase 2.

(e) CGI shall provide the MMSA and the Participating Municipalities with written notice pursuant to Section 14.B of the Service Agreement of the completion of migration of the CGI System to Microsoft Azure Services. CGI shall notify its primary point of contact for each Participating Municipality by email at least 30 days before beginning Phase 3. During Phase 3, both of the following are effective and apply:

- (1) the CGI System will operate entirely using the Microsoft Azure Services production environment and one or more Microsoft Azure Services nonproduction environments and the CGI Data Center will not be used; and
- (2) the provisions of the Service Agreement as amended by this amendment are effective and apply.

[SIGNATURE PAGE FOLLOWS]

Each party is signing this amendment on the date stated opposite that party's signature.

CGI TECHNOLOGY AND SOLUTIONS, INC.

Date: _____, 2018

By: _____
Daniel A. Keene
Senior Vice President, Consulting
Services US Enterprise Markets,
Business Solutions & Onshore Delivery

MICHIGAN MUNICIPAL SERVICES
AUTHORITY

Date: _____, 2018

By: _____
Robert J. Bruner, Jr.
Chief Executive Officer

CITY OF GRAND RAPIDS

Date: _____, 2018

By: _____
Name: _____
Its: _____

KENT COUNTY

Date: _____, 2018

By: _____
Name: _____
Its: _____

SCHEDULE 6

Azure Migration Contingency Plan

1. CGI shall provision and provide access for each Participating Municipality to two new computing environments, (1) a production (“**PRD**”) and (2) a non-production (“**NPD**”) environment, to host each Participating Municipality’s instance of CGI Advantage360 3.11.1 on Microsoft Azure (“**3.11.1/Azure**”). The PRD and the NPD on 3.11.1/Azure for each Participating Municipality must be provided in addition to the then-current instance of PRD and NPD environments of CGI Advantage360 3.10.0.1 for each Participating Municipality hosted at the CGI Data Center (“**3.10.0.1/PDC**”). CGI shall provide a PRD and NPD environment for both 3.11.1/Azure and 3.10.0.1/PDC for each Participating Municipality for the duration of a user acceptance testing (“**UAT**”) period of not less than 120 days. CGI intends as of December 31, 2017 that the UAT period begin on March 26, 2018 and end on July 30, 2018.

- a. Holidays and other business constraints introduce added risk for activities relating to migration of CGI Advantage 360 to 3.11.1/Azure, including fewer work days for preparing payroll, and must be accounted for in CGI’s planning for the day on which 3.11.1/Azure will be fully implemented in a live environment (the “**Go Live Date**”). CGI intends that July 30, 2018 be the Go Live Date. CGI shall consult with each Participating Municipality (i) about the day on which the Participating Municipality’s Content will be fully transitioned to and implemented in 3.11.1/Azure in a live PRD (for each Participating Municipality, the “**Cut Over Date**”); (ii) concerning implementation issues related to, and approaches to minimize the impact upon, each Participating Municipality of proceeding on that Cut Over Date; and (iii) to determine the most appropriate Cut Over Date for the Participating Municipality to minimize business risk to the Participating Municipality. CGI intends that the Cut Over Date for each of the Participating Municipalities occur within a three week period, which CGI may extend as necessary.
- b. The parties acknowledge that the Cut Over Date for entities contracting with CGI for CGI Advantage360 is independent of the Cut Over Date for any one of those entities or a Participating Municipality.
- c. CGI shall periodically update each Participating Municipality about known issues, defects, critical updates, and other items that have impacts across all CGI Advantage360 environments as they arise and also shall implement measures to minimize the risks associated with those issues, defects, critical updates, and other items upon the migration to 3.11.1/Azure for the Participating Municipalities.
- d. CGI shall clearly identify both the 3.11.1/Azure NPD and the PRD environment as either an NPD or PRD environment in the left navigation panel header of the applications for both environments and differentiate both of the environments from the then-current PRD and NPD environments of 3.10.0.1/PDC. CGI intends for this identification to reduce confusion for UAT users.

2. Each Participating Municipality shall continue all production business processing activity in its 3.10.0.1/PDC PRD environment, and any existing business process testing activity (including “sandbox activity”) in the 3.10.0.1/PDC NPD environment through the Cut Over Date for the Participating Municipality.

3. CGI shall perform an initial conversion and data load activity to migrate all production data and environment elements (including each Participating Municipality’s supported reports, forms, adapters and interfaces) from

3.10.0.1/PDC PRD to the 3.11.1/Azure NPD environment to facilitate the minimum UAT period specified in Paragraph 1 of this Schedule 6. CGI recommends that each Participating Municipality execute both of the following activities:

- a. *Regression/UAT* – executing UAT against all of the Participating Municipality’s business processes, including validating reports, forms, and adapters and interfaces; and
- b. *Core Parallel Testing* – specific parallel testing activities to validate the Participating Municipalities human resource management (“**HRM**”) payroll and accounts payable (“**AP**”) vendor check processing before the Participating Municipality’s Cut Over Date.

If a Participating Municipality is in the midst of an implementation of an Advantage360 module, CGI shall perform another initial conversion and data load activity from the active 3.10.0.1/PDC-PRD to the 3.11.1/Azure NPD environment at a time mutually agreed between CGI and the Participating Municipality after that module’s implementation activity is completed.

4. CGI recommends that each Participating Municipality execute a complete regression/UAT of all its production business processes in the new 3.11.1/Azure NPD. This should include core parallel testing of HRM payroll and AP check processing as well as regression/UAT of all reports, forms, and interfaces used by the Participating Municipality.

5. CGI also recommends that before the Go Live Date each Participating Municipality conduct a series of Core Parallel Processing Tests to validate that core critical business processes operate successfully in the parallel 3.11.1/Azure NPD. After a Participating Municipality reviews and validates the output of the Core Parallel Processing Tests, the Participating Municipality shall provide CGI with written approval to proceed to activities necessary to migrate the Participating Municipality on the Cut Over Date for the Participating Municipality.

As used in this paragraph 5, “Core Parallel Processing Tests” include both of the following:

- a. “**HRM Payroll Test**” means a test in which CGI will convert and load payroll related configuration data for a Participating Municipality from the existing 3.10.0.1/PDC PRD into the 3.11.1/Azure NPD for the Participating Municipality (the “**Payroll Data Load**”). CGI will also convert and load timesheet data from a recent confirmed/validated payroll into 3.11.1/Azure NPD for the Participating Municipality. Authorized users of the Participating Municipality will not be required to re-enter or re-process any timesheet information to support this parallel test.

Upon completion of the Payroll Data Load for a Participating Municipality, CGI and the Participating Municipality will jointly execute a mock payroll using the new 3.11.1/Azure NPD. CGI will assist the Participating Municipality by providing data extracts and other comparison tools to enable each the Participating Municipality to validate the test parallel payroll executed in the new 3.11.1/Azure NPD in comparison to the selected previous production payroll executed by the Participating Municipality in 3.10.0.1/PDC PRD.

If the HRM Payroll Test fails for a Participating Municipality, CGI and the Participating Municipality shall jointly determine the root cause of the failure and implement a fix intended to prevent the failure from reoccurring. This HRM Payroll Test process will be repeated until the HRM Payroll test returns a favorable or passing result.

- b. **“FIN Accounts Payable Cycle Test”** means a test, CGI will convert and load AP related configuration and transactional data of a Participating Municipality from the existing 3.10.0.1/PDC PRD into the 3.11.1/Azure NPD for the Participating Municipality (the **“FIN Accounts Payable Data Load”**).

Upon completion of the FIN Accounts Payable Data Load into the 3.11.1/Azure NPD for the Participating Municipality, CGI and the Participating Municipality will jointly execute an AD chain using the new 3.11.1/Azure NPD for the Participating Municipality. CGI will assist the Participating Municipality in providing data extracts and other comparison tools to enable the Participating Municipality to validate that the FIN Accounts Payable Cycle Test executed without failure in the new 3.11.1/Azure NPD.

If the AP check process test fails for a Participating Municipality, CGI along with the Participating Municipality shall work together to determine the root cause of the failure and to fix the issue. The process described in this paragraph will be repeated until the test returns a favorable or passing result for the Participating Municipality.

6. In a manner similar to the initial go or no-go decision for an initial implementation of CGI Advantage360, CGI shall conduct a formalized go or no-go decision meeting with each Participating Municipality for the activities relating to the upgrade to CGI Advantage 360 to 3.11.1/Azure. At this meeting each Participating Municipality shall indicate to CGI whether the results from Regression/UAT and Core Process Parallel testing described in paragraph 3 of this Schedule 6 are acceptable to the Participating Municipality and whether the Participating Municipality has high confidence of a successful migration to CGI Advantage 360 to 3.11.1/Azure.

a. If a Participating Municipality does not indicate high confidence of a successful migration to CGI Advantage 360 to 3.11.1/Azure, the Participating Municipality shall document its specific concerns and the Participating Municipality and CGI shall work to remediate each item in a workman like manner until resolved or a reasonable workaround satisfactory to the Participating Municipality is provided by CGI.

b. After resolution of all issues preventing the migration by a Participating Municipality to CGI Advantage 360 to 3.11.1/Azure, an additional go or no-go decision meeting will be held between the Participating Municipality and CGI and will repeat until all issues preventing the migration by the Participating Municipality are resolved to the satisfaction of the Participating Municipality. The parties intend to adhere to CGI’s intended May 28th, 2018 Go-Live date for to CGI Advantage 360 to 3.11.1/Azure. However, this migration target will not be constrained by the 3 week period described in paragraph 1.a of this Schedule 6 and the parties acknowledge that there may be circumstances that extend the full implementation of the migration to CGI Advantage 360 to 3.11.1/Azure.

EXHIBIT A

First Amended and Restated Participation Agreement Form

This participation agreement is between the MICHIGAN MUNICIPAL SERVICES AUTHORITY, a Michigan public body corporate (the “**MMSA**”), CGI TECHNOLOGIES AND SOLUTIONS INC., a Delaware Corporation (“**CGI**”), and the _____, a Michigan
[full legal name of participating governmental entity]
_____, (the “**Participating Municipality**”).
[type of governmental entity, such as “municipal corporation” or “public body corporate”]

On March 31, 2015, the MMSA and CGI entered into a services agreement, which was subsequently amended (the “**Services Agreement**”), offering a cloud-based financial management program (“**FMS**”) to non-state governmental entities throughout Michigan using CGI’s proprietary CGI Advantage360 solution in a Software as a Service model, as well as related implementation, support, and other consulting services. The Services Agreement and all amendments to the Services Agreement are attached as Attachment A.

The Participating Municipality wants to participate in the FMS program and begin using the CGI Advantage360 solution.

The parties therefore agree as follows:

1. **Services Agreement.** Beginning on the Project Start Date and ending on the end date indicated on Schedule 1 (the “**Term**”), the Participating Municipality will be a party to the Services Agreement and a Participating Municipality for all purposes under the Services Agreement and shall comply with the applicable terms and conditions of the Services Agreement. Beginning on the Project Start Date and continuing until the end of the Term, CGI shall provide the Participating Municipality with Services, including the CGI Advantage360 offering selected by the Participating Municipality under Schedule 2 and the Adaptors selected by the Participating Municipality under Schedule 3.2. **Fees.**

(a) During the Term of this agreement, the Participating Municipality shall pay to the MMSA the fees, including SaaS Subscription Fees indicated on Schedule 2.

(b) The MMSA shall invoice the Participating Municipality in advance of the provision of SaaS Subscription Services for SaaS Subscription Fees and other fees payable by the Participating Municipality on an annual basis as provided in Schedule 2. MMSA shall issue the initial invoice for SaaS Subscription Services on the Project Start Date and thereafter during the Term unless otherwise mutually agreed through an amendment to this agreement on each anniversary of the Project Start Date. Each invoice shall include any applicable Service Level Credit under the Services Agreement.

(c) All fees payable to the MMSA under this agreement shall be paid in United States Dollars, by electronic funds transferred to an account at Fifth Third Bank designated in writing by the MMSA. The Participating Municipality should direct any questions regarding electronic fund

transfers to the MMSA at the following e-mail address: fms@michiganmsa.org. Correct invoices are due and payable in full within 30 days after receipt, if the Participating Municipality determines that the invoice was properly rendered. If the Participating Municipality fails to pay an invoiced amount that is not the subject of a good faith dispute between Participating Municipality and the MMSA when due, the MMSA may charge interest on the overdue invoiced amount at a rate of 1.5% per month, or the maximum rate allowed by law if less. Interest will begin to accrue on the first day after the payment due date and will accumulate on the outstanding balance on a daily basis until paid in full.

(d) The Participating Municipality may withhold payment of amounts it does not in good faith believe are due to the MMSA if all of the following are satisfied:

- (1) the Participating Municipality notifies the MMSA in writing of the disputed amount and the reason for the dispute before the payment due date within 15 days of submission of the invoice by the MMSA;
- (2) the Participating Municipality timely pays all other amounts specified on the invoice;
- (3) the Participating Municipality works in good faith with the MMSA to resolve the dispute in a prompt and mutually acceptable manner; and
- (4) the Participating Municipality pays any amounts ultimately determined to be due to the MMSA within five days after the dispute is resolved and the MMSA adjusts the amount due from the Participating Municipality to reflect the dispute resolution. If a disputed amount is not resolved within 30 days after the original payment due date, the parties will resolve the dispute as provided in section 13 of the Services Agreement.

(e) The Participating Municipality waives the right to dispute invoices unless the invoiced amounts are either paid or disputed in writing as provided in section 2(d).

(f) SaaS Subscription Fees, including any for Adaptors, do not include any services for implementation, configuration, or other custom services. Other services outside the scope of this agreement require a separate Implementation and Support Services Agreement between the Participating Municipality and CGI, as provided under the Services Agreement.

(g) For purposes of this agreement:

“CGI Advantage360” means that term as defined in the Services Agreement.

“Project Start Date” means that term as defined in the Services Agreement.

“SaaS Subscription Fees” means that term as defined in the Services Agreement.

“SaaS Subscription Services” means that term as defined in the Services Agreement.

“Service Level Credit” means that term as defined in the Services Agreement.

“Services” means that term as defined in the Services Agreement.

3. **Adaptors.** CGI Advantage360 integrates with other nonparty applications to enhance the functionality of CGI Advantage360 using CGI-certified adaptors (each an “Adaptor”). CGI shall provide the Participating Municipality with access to the Adaptors selected by the Participating

Municipality on Schedule 3 at the annual subscription rate provided in Schedule 3 unless modified on Schedule 2 to this Participation Agreement. The annual subscription rate for an Adaptor will not increase during the Initial Subscription Term. CGI shall update Schedule 3 periodically to reflect newly certified Adaptors and the annual subscription rate for those Adaptors.

4. **Points of Contact.** The Participating Municipality hereby designates the individuals named in Schedule 4 as the Participating Municipality's primary and secondary point-of-contact for purposes of this agreement and the Services Agreement.

5. **Termination.** This agreement may be terminated as provided in section 10 of the Services Agreement. If the Services Agreement is terminated, this agreement will remain in effect between CGI and the Participating Municipality, subject to the terms and conditions of this agreement and the Services Agreement as required by section 2.C of the Services Agreement.

6. **Notice.**

(a) For a notice or other communication under this agreement to be valid, it must be in writing and delivered (i) by a national transportation company (with all fees prepaid), (ii) by registered or certified mail (return receipt requested and postage prepaid), or (iii) by email.

(b) Subject to section 6(c), a valid notice or other communication under this agreement will be effective when received by the party to which it is addressed. It will be deemed to have been received as follows:

- i. if it is delivered by a national transportation company, with all fees prepaid, or delivered by registered or certified mail, return receipt requested and postage prepaid, upon receipt as indicated by the date on the signed receipt;
- ii. if it is delivered by email, when the party to which the email is addressed acknowledges receipt of the email by return email (provided that an automatic "read receipt" will not constitute acknowledgement for purposes of this section 6(b)(ii)) or by other acknowledgment notification in accordance with this section 6; and
- iii. if the party to which it is addressed rejects or otherwise refuses to accept it, or if it cannot be delivered because of a change in address for which no notice was given, then upon that rejection, refusal, or inability to deliver.

(c) For a notice or other communication to a party under this agreement to be valid, it must be addressed using the information specified below for that party or any other information specified by that party in a notice in accordance with this section 6.

To the MMSA: Michigan Municipal Services Authority
200 Townsend St., Ste. 900
Lansing, MI 48933-1529
Attn: Chief Executive Officer
Email: fms@michiganmsa.org

To CGI: CGI Technologies and Solutions Inc.
300 S. Washington Square, Suite 405
Lansing, MI 48933
Attn: Jon Jasper
Email: jon.jasper@cgi.com

To the Participating Municipality:

[name of Participating Municipality]

[Participating Municipality address line 1]

[Participating Municipality address line 2]

[Participating City State ZIP Code]

7. **Modification; Waiver.** No amendment of this Agreement will be effective unless it is in writing and signed by the parties. No waiver of satisfaction of a condition or failure to comply with an obligation under this agreement will be effective unless in writing and signed by the party granting the waiver and will not constitute a waiver of satisfaction of any other condition or failure to comply with any other obligation.

8. **Governing Law.** The laws of the state of Michigan, without giving effect to its principles of conflicts of law, govern all adversarial proceedings arising out of this agreement.9. **Counterparts.**If the parties sign this contract in several counterparts, each will be deemed an original but all counterparts together will constitute one instrument.10. **Effectiveness; Date.** This agreement will become effective when all the parties have signed it. The date this agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature) will be deemed the date of this agreement. If a party signs but fails to date a signature, the date that the other party receives the signing party's signature will be deemed to be the date that the signing party signed this agreement, and the other party may inscribe that date as the date associated with the signing party's signature.

Each party is signing this agreement on the date stated opposite that party's signature.

[continued on next page]

MICHIGAN MUNICIPAL SERVICES AUTHORITY

Date: _____, 20__

By: _____
Robert J. Bruner, Jr.
Chief Executive Officer

[full legal name of Participating Municipality in ALL CAPS]

CGI TECHNOLOGIES AND SOLUTIONS INC.

Date: _____, 20__

By: _____

Name: _____
[printed name of authorized individual]

Title: _____
[printed title of authorized individual]

Date: _____, 20__

By: _____
[signature of authorized individual of Participating Municipality]

Name: _____
[printed name of authorized individual]

Title: _____
[title of authorized individual]

SCHEDULE 1
Term

Effective Date. The effective date of this agreement is the date provided in section 10 of this agreement.

Beginning of Term. The Term of this agreement begins on the effective date.

Project Start Date. The Project Start Date is _____, 20____.

End of Term. The Term of this agreement ends five years after the Project Start Date, and will automatically extend for an additional five years unless at least 90 days before the initial expiration of the Term the applicable Participating Municipality gives CGI notice of its intention not to extend the Term. The Participating Municipality may elect to extend the Term for an additional one year if the Participating Municipality gives CGI notice of its election to extend the Term for an additional one year. The Participating Municipality shall provide the MMSA with a copy of any notice provided to CGI under this paragraph.

SCHEDULE 2 Costs

SaaS Subscription Fees

The SaaS Subscription Fees for the Participating Municipality are determined by the Participating Municipality's Operating Budget for the fiscal year of the Participating Municipality in which this agreement takes effect. As specified by Section 2 of this Agreement and Section 4 of the Services Agreement, SaaS Subscription Fees shall be invoiced and payable beginning on the Project Start Date.

If an Operating Budget has not been adopted or otherwise been given legal effect for the fiscal year of the Participating Municipality in which this agreement takes effect, the SaaS Subscription Fees for the Participating Municipality will be determined by the Participating Municipality's Operating Budget that was most recently adopted or otherwise given legal effect.

If a Participating Municipality's total authorized consolidated operating expenditures for all functional and sub-functional cost categories and cost accounts for a fiscal year of the Participating Municipality cannot be determined from the Participating Municipality's General Appropriations Act for that fiscal year, SaaS Subscription Fees will be determined based on the Participating Municipality's total primary government expenses as reported in the most recent audited financial report of the Participating Municipality available at the time the Participation Agreement for the Participating Municipality takes effect. CGI may review an annual report of operating expenditures to verify the Operating Budget of the Participating Municipality for the following fiscal year. If the review indicates that the Operating Budget for that fiscal year materially deviates from the Operating Budget for the initial fiscal year of the Participating Municipality used in determining the Participating Municipality's SaaS Subscription Fees, CGI and the Participating Municipality shall update the SaaS Subscription Fees to conform the SaaS Subscription Fees with the Operating Budget for that following fiscal year for the next effective annual period and notify the MMSA of the update.

For purposes of this Schedule 2, the following definitions apply:

"Operating Budget" means a Participating Municipality's total authorized consolidated operating expenditures for all functional and sub-functional cost categories and cost accounts of the Participating Municipality for a fiscal year as authorized by Appropriations in the General Appropriations Act of the Participating Municipality for that fiscal year, and also includes the authorized consolidated operating expenditures for all functional and sub-functional cost categories and cost accounts of another municipality for which Participating Municipality performs services within the scope described in Schedule 1 of the Services Agreement. If a party believes that an Operating Budget does not accurately reflect the financial impact of a Participating Municipality's use of the CGI System, the party will notify the other parties, and the parties will negotiate in good faith to arrive at a SaaS Subscription Fee for the Participating Municipality that accurately reflects that Participating Municipality's use of the CGI System.

"Appropriation" means that term as defined in section 2a of the Uniform Budgeting and Accounting Act, 1968 PA 2, as amended, MCL 141.422a, as it exists as of March 31, 2015.

"Budget" means that term as defined in section 2a of the Uniform Budgeting and Accounting Act, 1968 PA 2, as amended, MCL 141.422a, as it exists as of March 31, 2015.

“General Appropriations Act” means that term as defined in section 2b of the Uniform Budgeting and Accounting Act, 1968 PA 2, as amended, MCL 141.422a, as it exists as of March 31, 2015.

“COLA” means the annual United States consumer price index for a year for all urban consumers as defined and reported by the United States Department of Labor, Bureau of Statistics. The Schedule of Fees applicable to SaaS Subscription Services is provided in Table 1:

Table 1: SaaS Subscription Fees

CGI Advantage360 Offering	Annual SaaS Subscription Fee ¹ by Operating Budget				
	Low Tier < \$200 M	Mid-Low Tier > \$200 M < \$400 M	Mid-Tier > \$400 M < \$600 M	Mid-High Tier > \$600 M < \$800 M	High Tier > \$800 M < \$1 B ²
CGI Advantage360 Full Suite (FIN, PB, HRM)	\$720,952	\$1,010,070	\$1,546,507	\$2,131,353	\$2,537,602
CGI Advantage360 Financial Management (FIN)	\$370,195	\$518,827	\$794,623	\$1,093,644	\$1,296,447
CGI Advantage360 Performance Budgeting (PB)	\$213,147	\$284,701	\$437,165	\$595,064	\$680,205
CGI Advantage360 Human Resource Management (HRM)	\$370,195	\$518,827	\$794,623	\$1,093,644	\$1,296,447

- 1 Annual SaaS Subscription Fees are based on an initial five year Term.
- 2 Entities with annual operational budgets greater than \$1.0 billion should contact CGI directly to determine the appropriate deployment model.

The annual SaaS Subscription Fees apply to the initial five year subscription period, which begins on the Project Start Date (the “Initial Subscription Period”). The SaaS Subscription Fees remain fixed during the Initial Subscription Period. After conclusion of the Initial Subscription Period, the subscription fees are subject to change by CGI, subject to the maximum subscription fee increase rate provided in Table 2 of this Schedule 2. The annual SaaS Subscription Fee payable by a Participating Municipality after the Initial Subscription Period may not increase more than the maximum SaaS Subscription Fee increase rate detailed in Table 2.

Table 2: Renewal SaaS Subscription Rates

Renewal Subscription Period	Maximum Renewal Subscription Period
	Increase
1 year	8%
5 year	Lesser of 7% or COLA*

* The most recently available COLA information (e.g., December 31, 2014) as compared the COLA information five years later (e.g., December 31, 2019). For example, if the CPI as of December 2009 was 215.949, and then as of December 2014 was 234.812, then the applicable COLA rate would be calculated as follow: $(234.812 - 215.949) / 215.949 = 8.735\%$.

Discounts Applicable to SaaS Subscription Fees

The discounts described in Table 3 apply to the annual SaaS Subscription Fee payable by the Participating Municipality and are based upon the total number of Participating Municipalities under the Services Agreement.

Table 3: Discount Applicable to SaaS Subscription Fee

Total Number of Participating Municipalities	Discount ¹
1	5%
2	10%
3	12%
4	15%
5	17%
6	20%
7	22%
8 or more	25%

- The discount described in Table 3 applies as follows:
 - the discount applies to all Operating Budget tiers in Table 1;
 - the discount only applies if the Participating Municipality is subscribing to the CGI Advantage360 full suite of functionality (FIN, PB, HRM) described in Table 1; and
 - if another Participating Municipality enters into a new Participation Agreement or if another Participating Municipality terminates its Participation Agreement, any change in the applicable discount under Table 3 applies to the Participating Municipality's SaaS Subscription Fees under this Participation Agreement beginning with its next invoice.

Discount Examples

For purposes of illustration only, Schedules 4 to 6 provide examples of the applicability of the discount under Table 3 to annual SaaS Subscription Fees when all Participating Municipalities are subscribing to the full CGI Advantage360 suite of functionality described in Table 1. The examples do not include any additional fees for Adaptors used by a Participating Municipality or administrative fees applicable under this agreement.

Table 4: Example A—Three Participating Municipalities

Number of Participating Municipalities	Operating Budget	Tier	Annual SaaS Subscription Fee	Discount %	Discount \$	Discounted SaaS Subscription Fee
1	\$312,828,439	Mid-Low	\$1,010,070	12%	\$121,208	\$888,862
2	\$288,475,169	Mid-Low	\$1,010,070	12%	\$121,208	\$888,862
3	\$244,028,601	Mid-Low	\$1,010,070	12%	\$121,208	\$888,862

Table 5: Example B—Five Participating Municipalities

Number of Participating Municipalities	Operating Budget	Tier	Annual Subscription Fee	Discount %	Discount \$	Discounted SaaS Subscription Fee
1	\$312,828,439	Mid-Low	\$1,010,070	17%	\$171,712	\$838,358
2	\$288,475,169	Mid-Low	\$1,010,070	17%	\$171,712	\$838,358
3	\$244,028,601	Mid-Low	\$1,010,070	17%	\$171,712	\$838,358
4	\$202,668,269	Mid-Low	\$1,010,070	17%	\$171,712	\$838,358
5	\$133,303,312	Low	\$720,952	17%	\$122,561	\$598,391

Table 5: Example C—Nine Participating Municipalities

Number of Participating Municipalities	Operating Budget	Tier	Annual SaaS Subscription Fee	Discount %	Discount \$	Discounted SaaS Subscription Fee
1	\$312,828,439	Mid-Low	\$1,010,070	25%	\$252,518	\$757,553
2	\$288,475,169	Mid-Low	\$1,010,070	25%	\$252,518	\$757,553
3	\$244,028,601	Mid-Low	\$1,010,070	25%	\$252,518	\$757,553
4	\$202,668,269	Mid-Low	\$1,010,070	25%	\$252,518	\$757,553
5	\$133,303,312	Low	\$720,952	25%	\$180,238	\$540,714
6	\$727,934,642	Mid-High	\$2,131,353	25%	\$532,838	\$1,598,515
7	\$581,817,952	Mid	\$1,546,507	25%	\$386,627	\$1,159,880
8	\$200,950,280	Mid-Low	\$1,010,070	25%	\$252,518	\$757,553
9	\$312,828,439	Mid-Low	\$1,010,070	25%	\$252,518	\$757,553

Fees for CGI Advantage360 Adaptors

CGI offers the Adaptors described in Schedule 3 at the annual subscription rate for each Adaptor provided in Schedule 3.

Fees Applicable to Participating Municipality

The Participating Municipality selects the following CGI Advantage360 offering or offerings from Table 1 for implementation under this agreement:

CGI Advantage360 Offering	Selected by Participating Municipality?
CGI Advantage360 Full Suite (FIN, PB, HRM)	<input type="checkbox"/> Yes [check box]
CGI Advantage360 Financial Management (FIN)	<input type="checkbox"/> Yes [check box]
CGI Advantage360 Performance Budgeting (PB)	<input type="checkbox"/> Yes [check box]
CGI Advantage360 Human Resource Management (HRM)	<input type="checkbox"/> Yes [check box]

The Operating Budget of the Participating Municipality is \$ _____ for the
[Operating Budget amount]

Participating Municipality's fiscal year ending _____, 20____. The Participating
[End date of applicable fiscal year]

Municipality is therefore within the following tier under Table 1:

[Low Tier, Mid-Low Tier, Mid-Tier, Mid-High Tier, High Tier]

As a result, the annual SaaS Subscription Fee for the Participating Municipality during the Initial

Subscription Period, before application of any applicable discount and other fees is

\$ _____.
[applicable SaaS Subscription Fee from Table 1]

As of the effective date of this agreement, there are a total of _____ Participating Municipalities with a

Participation Agreement effective under the Services Agreement, including the Participating

Municipality. As a result, the annual SaaS Subscription Fee for the Participating Municipality is subject to

a discount rate of _____% under Table 3.
[applicable Discount Rate from Table 3]

As a result, the initial annual discounted SaaS Subscription Fee for the Participating Municipality,

excluding other fees, is \$ _____. The discounted SaaS
[applicable discounted SaaS Subscription Fee]

Subscription Fee is subject to change on the annual invoice date as provided in this agreement.

The total annual subscription rates for Adaptors selected by the Participating Municipality under Table 3

is \$ _____. Combined with the initial annual discounted SaaS Subscription
[annual amount for all selected Adaptors]

Fee for the Participating Municipality, the total initial annual fee payable by the Participating

Municipality, excluding administration fees, is \$ _____.

[discount annual SaaS subscription fee plus annual
Adaptor fees]

The Participating Municipality will pay to the MMSA an annual administration fee equal to 7% of the applicable discounted SaaS Subscription Fee as consideration for the MMSA's administrative services.

With the MMSA's 7% administration fee, the total initial annual fee payable by the Participating

Municipality beginning with the first invoice is \$ _____.

[(annual discounted SaaS Subscription Fee + Adapter fees) * 1.07]

SCHEDULE 3
Adaptors

CGI shall provide the following Adaptors selected by the Participating Municipality in Table 1 of this Schedule 3 at the annual subscription rate provided in Table 1 during the Term of this agreement, subject to any adjustments in the annual subscription rate after the Initial Subscription Term. Discounts under Schedule 2 do not apply to the annual subscription rate for Adaptors. The annual subscription rates included in Table 1 assume a five-year Initial Subscription and do not include implementation effort needed for configuration, which should be addressed in any Implementation and Support Services Agreement between the Participating Municipality and CGI.

Table 1: Adaptors and Annual Subscription Rate

CGI Advantage360 Adaptor	Description	Annual Adaptor Subscription Rate	Adaptor Selected by Participating Municipality?
Kronos Adaptor	Advantage Business Integration (ABI) provides a standard integration that allows CGI Advantage360 ERP and Kronos Timekeeper applications to cooperate in recording time and leave. CGI Advantage360 ERP's standard integration with Kronos Timekeeper consists of three parts: (1) services flowing from Advantage Financial; (2) services flowing from Advantage HRM; and (3) services flowing from Kronos.	\$29,000	<input type="checkbox"/> Yes [check box]
NEOGOV Adaptor	Advantage Business Integration (ABI) provides a standard integration that allows Advantage HRM applications and NEOGOV Insight applications to cooperate in the areas of position control, recruitment, and employee on-boarding. Advantage HRM's standard integration with NEOGOV Insight consists of three parts: (1) base data synchronization; and (2) position Integration; and (3) new hire/onboarding Integration	\$19,000	<input type="checkbox"/> Yes [check box]
OnBase Adaptor	Advantage Business Integration (ABI) provides a standard integration that allows Advantage ERP applications to store, fetch, maintain metadata and search for attachments using any of the supported ECM products. The OnBase Integration includes the following functions: (1) storing an attachment; (2) fetching an attachment; (3) updating metadata; (4) searching for an attachment; and (5) processing scanned/OCR invoices.	\$29,000	<input type="checkbox"/> Yes [check box]

CGI will periodically update this Table to include newly-certified Adaptors available as a standard integration and prices for those Adaptors.

[updated as of April 1, 2015]

SCHEDULE 4
Principal and Secondary Point of Contact

For purposes of this agreement and the Services Agreement, the Participating Municipality designates the following individuals as the principal and secondary point of contact for the Participating Municipality using the following contact information:

Principal Point of Contact

Name: _____

Email address: _____

Office Address Line 1: _____

Office Address Line 2: _____

Office City, ST ZIP: _____

Office Phone: _____

Mobile Phone: _____

Secondary Point of Contact

Name: _____

Email address: _____

Office Address Line 1: _____

Office Address Line 2: _____

Office City, ST ZIP: _____

Office Phone: _____

Mobile Phone: _____

ATTACHMENT A
Principal and Secondary Point of Contact

[insert signed services agreement between MMSA and CGI, including schedules, attachments, and any amendments]

EXHIBIT B

First Amended and Restated Implementation and Support Services Agreement Form

This implementation and support services agreement is between CGI TECHNOLOGIES AND SOLUTIONS

INC., a Delaware Corporation ("CGI"), and the _____, a Michigan

[full legal name of participating municipality-ALL CAPS]

_____ (the "Participating Municipality").

[type of governmental entity such as "municipal corporation" or

The parties and the Michigan Municipal Services Authority (the "MMSA") have entered into a participation agreement (the "Participation Agreement") under which the Participating Municipality is participating in the MMSA's cloud-based financial management ("FMS") program ("FMS Program") and procuring Software as a Service ("SaaS") subscription services from CGI for CGI's proprietary CGI Advantage360 Solution under a services agreement between the MMSA and CGI dated March 31, 2015, which was subsequently amended (the "Services Agreement").

So that CGI Advantage360 is properly configured and implemented before full use by the Participating Municipality, and supported after use begins, the Participating Municipality wants to obtain implementation and support services from CGI.

The parties therefore agree as follows:

1. Effective Date and Term

This agreement will become effective when both parties have signed it. The date this agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature) will be deemed the date of this agreement. If a party signs but fails to date a signature, the date that the other party receives the signing party's signature will be deemed to be the date that the signing party signed this agreement, and the other party may inscribe that date as the date associated with the signing party's signature. The term of this agreement will begin on the effective date of this agreement and will continue until _____, 20 __, unless terminated earlier.

2. Definitions:

- A. "Application Share" means a desktop software tool used to present a remote PC desktop to local users.
- B. "Backlog" means the aggregation of tasks and activities to be accomplished.
- C. "CGI Advantage360" means that term as defined in the Services Agreement and includes the overall CGI Advantage360 solution including functionality and major components for Financial, Performance Budgeting and Human Resources Management.
- D. "CGI Advantage360 Business Forms Platform" means the business forms development platform solution incorporated into a Managed Application.
- E. "CGI Advantage360 Business Intelligence Platform" means the business intelligence or reporting solution incorporated into a Managed Application.

- F. “CGI Project Advisors” means executive leadership and other resources from CGI responsible for providing engagement guidance and oversight for the Project.
- G. “CGI Training Instructor” means any CGI employee who delivers training to the Participating Municipality on the use of a Managed Application.
- H. “CGI Project Team” means the primary Project resources from CGI.
- I. “CGI System” means that term as defined in the Services Agreement.
- J. “Contract Document” means that term as defined in the Services Agreement.
- K. “Participating Municipality Project Team” means the primary Project resources identified by the Participating Municipality for purposes of this agreement.
- L. “Cut-Over” means the transition from the Participating Municipality’s legacy software system to the CGI System.
- M. “Day-One Database” means the pre-configured CGI Advantage360 database (including reference tables) that is used as the starting point for all configuration activity supported by the CGI Advantage360 Delivery Methodology.
- N. “Deliverable” means a completed Work Package and work document that has been delivered to the Participating Municipality under this agreement.
- O. “Executive Steering Committee” means the Participating Municipality executive resources overseeing the strategic vision of the Project. The membership and makeup of the Executive Steering Committee is determined by Participating Municipality, but should include CGI and the Participating Municipality executives and may also include MMSA staff or vendors.
- P. “Extended Team” means the additional Participating Municipality resources involved in or engaging with the Project, which may include MMSA staff or vendors.
- Q. “FRIC-W” is an abbreviation representing Forms, Reports, Interfaces, Conversions and Workflow.
- R. “Functional” indicates subject matter content which is business natured and non-technical.
- S. “Go-Live” means the activity of starting use of the CGI System in a production environment.
- T. “Instructor-Led Training” means any training led by a CGI Training Instructor
- U. “Integrated Project Team” means the combined project team, including both assigned Participating Municipality Project Team and the CGI Project Team.
- V. “Integrated System Test (IST)” means the testing that CGI is responsible for to ensure the system is ready for the Participating Municipality to test.
- W. “Managed Application” means a CGI Advantage® ERP components selected by the Participating Municipality in the Participation Agreement and any “Adaptors” (as defined in the Participation Agreement) selected by the Participating Municipality that will be provided as a part of the SaaS Subscription Services for the Participating Municipality under the Participation Agreement.
- X. “Payment Milestone” means a specific point in the project lifecycle where the completion of activities necessitates a progress payment.

- Y. “Phase” or “Project Phase” means one of the four functional segments of the Project defined in Section 3.
- Z. “Production Environment” means a Managed Application instance used for the Participating Municipality’s production purposes.
- AA. “Project” means the effort to implement the full Managed Application.
- BB. “Project Issue” means any issue, delay, concern, or impediment to progress arising from project activities.
- CC. “Project Manager” means the Participating Municipality or CGI resource assigned to lead and manage all Project activities for their respective organization.
- DD. “Project Milestone” means a specific point in the project lifecycle recognizing the completion of specific tasks or activities.
- EE. “Project Work Plan” or “PWP” means the agreed to activities, tasks, start and end dates of tasks, dependencies, and resources associated with the ISSA.
- FF. “Project Start Date” means [Insert date].
- GG. “Reference Tables” means the Managed Application database tables used to store Day-One data configuration and the Participating Municipality specific content and configuration.
- HH. “Stage” means a segment or grouping of similar project activities that make up a Phase.
- II. “Technical” means technical subject matter related to forms, reports, interfaces, conversions and enhancements.
- JJ. “Teleconference” means using conference bridges to communicate with multiple individuals across various locations.
- KK. “Tier 1 Support” means initial end-user support organization at Participating Municipality’s location.
- LL. “Unit Testing” means the individual testing of specific functionality or features of the Managed Application, independent of any integration or interactions with other components of the CGI System or other external systems.
- MM. “User Acceptance Testing (UAT)” means the testing that will be performed by the Participating Municipality.
- NN. “VSS” means the Vendor Self-Service application within CGI Advantage360 Financial Management
- OO. “Webinar” means a virtual meeting or session using teleconference and application share technologies.
- PP. “Work Package” means the grouping of Work Products related to the Project. These are typically 2 weeks in duration and are comprised of a defined set of objectives, or work products.
- QQ. “Work Products” means any defined set of objectives, output of activities, or tasks from a Work Package. These can be Technical or Functional in nature or a defined combination of both Technical and Functional.

3. Services to be Performed and Schedule of Performance

This agreement specifies the implementation and support Services that CGI will provide in collaboration with the Participating Municipality to support the Participating Municipality in the implementation of the Managed Application (the “Project”). Each application will be implemented through a Project Work Plan using the CGI Advantage360 Implementation Methodology. The parties agree to develop a mutually agreeable Project Work Plan within 30 days of the effective date of this agreement, including the division of responsibility between Participating Municipality staff and CGI staff. The phased delivery approach included in the Project Work Plan will use the delivery process described in Section 7. The Project is segmented into four Phases:

Phase 1: Project Initiation

Phase 2: CGI Advantage360 Financial Management

Phase 3: CGI Advantage360 Human Resource Management

Phase 4: CGI Advantage360 Performance Budgeting

Once a Project Work Plan that identifies specific timeframes and live targeted dates for this Project has been developed and agreed to by the parties, it will be incorporated as part of this agreement and identified as Appendix B.

CGI shall make its software, technical staff, trainers, and consultants available in a manner detailed in the Project Work Plan and any other implementation plans as necessary to meet the Project Milestones, including any live production dates.

Any change in the Project Work Plan, including date changes, must be mutually agreed upon by the parties’ Project Managers and any revised Project Work Plan will be incorporated as part of this agreement as a revised Appendix B.

The Phases of the Project are indicated in the table included at Appendix C.

3.1. Phase 1: Project Initiation

- The Project Initiation Phase establishes Project governance, definition of the parties’ activities and tasks as well as resource assignment and allocation through a detailed Project Work Plan, and Managed Application environment provisioning.

3.2. Phase 2: Financial Management (FM)

- The CGI Advantage360 Financial Management System implementation will include the following subsystems: Financial Management System which includes: General Ledger, General Accounting, Budget Control, Accounts Payable, Accounts Receivable, Treasury Accounting, Asset Management, Projects & Grants, Travel & Expense, Procurement Professional and Procurement Vendor (“VSS”). Procurement Vendor includes Vendor Registration, Online Solicitation and 1099 generation, and any related Adaptors.

3.3. Phase 3: Human Resource Management (HRM)

- The CGI Advantage360 Human Resource Management implementation will include the following subsystems: Human Resource Management, Position Control, Benefits Administration, Time & Leave Management, Employee Self Service (“ESS”) Benefits Enrollment, Payroll Management and W2 generation, and any related Adaptors.

3.4. Phase 4: Performance Budgeting (PB)

The CGI Advantage360 Performance Budgeting implementation will include the following subsystems: Budget Formulation, and Performance Budgeting, and Salary and Benefits Forecasting, and any related Adaptors.

3.5. Business Intelligence

During the implementation of the Managed Application including FM, PB, HRM, the following components will be included to the extent that they are required to support the implementation of the Managed Application: CGI Advantage360 Business Intelligence Platform and CGI Advantage360 Business Forms Platform.

4. Compensation

Except as otherwise expressly specified in this Section 4 the terms and conditions of Section 4 of the Services Agreement apply to this agreement.

4.1. Method of Payment

All fees and expenses due under this agreement will be invoiced using the applicable pricing detailed in Appendix D and shall be paid to CGI in United States Dollars, by electronic funds transfer to an account designated by CGI or by check sent to CGI Technologies and Solutions Inc. c/o Bank of America, 12907 Collections Center Drive, Chicago, IL 60693. The Participating Municipality should direct any questions regarding wire transfer transactions to CGI Treasury Operations at 703-267-5400.

4.2. Payment Terms

Correct invoices are due and payable in full within 45 days after receipt, if the Participating Municipality determines that the invoice was properly rendered. If the Participating Municipality fails to pay an invoiced amount that is not the subject of a good faith dispute when due, CGI may charge interest on the overdue invoiced amount at a rate of 1.5% per month, or the maximum rate allowed by law if less. Interest will begin to accrue on the first day after the payment due date and will accumulate on the outstanding balance on a daily basis until paid in full.

The payments will include 10% retainage that will be released for each Phase upon Acceptance of the final milestone for Phase.

The parties shall resolve any disputes relating to payment terms using the informal dispute resolution process detailed in Section 13.C of the Services Agreement.

4.3. Payment Schedule for Implementation Services

The CGI Advantage360 implementation Work Packages and Project Milestones establish benchmarks to support completion of key Project activities within the forecasted time allotments, supporting a successful delivery of each Phase. Work Packages within a Stage must be completed before the successful completion of the associated Project Milestone. Each Managed Application component (FM, PB, and HRM) has independent Work Packages that individually trace to their own related Project Milestones. Progress within a Phase only impacts the Work Packages and Project Milestones within that Phase. For instance, FM Work Packages do not impact the Project or Payment Milestones for Performance Budgeting. A Project Milestone is considered complete when the specific Phase related Work Packages are complete

and Accepted. The Project Management Plan will include acceptance/exit criteria for each Work Package associated to all Project Milestones.

The following table represents the milestones payments for each Phase of the Project.

Project Milestone	Milestone Amount	Retainage
Phase 1: Project Initiation		
Milestone - Completion of Project Initiation		
Subtotal		
Phase 2: Financial Management (FM)		
Milestone - Formal Project Team Training Complete		
Milestone - BPD Inventory		
Milestone - System Configuration Complete		
Milestone - Mock Load of the Participating Municipality data, verification Complete		
Milestone - System Interfaces Complete		
Milestone - Reports Complete		
Milestone - Integrated Systems Test Complete		
Milestone - Solution in Production		
Milestone - Post-implementation Support Complete		
Subtotal		
Phase 3: Human Resource Management (HRM)		
Milestone - Formal Project Team Training Complete		
Milestone - BPD Inventory		
Milestone - System Configuration Complete		

Milestone - Mock Load of the Participating Municipality data, verification Complete		
Milestone - System Interfaces Complete		
Milestone - Reports Complete		
Milestone - Integrated Systems Test Complete		
Milestone - Solution in Production		
Milestone - Post-implementation Support Complete		
Subtotal		
Phase 4: Performance Budgeting (PB)		
Milestone - Formal Project Team Training Complete		
Milestone - BPD Inventory		
Milestone - System Configuration Complete		
Milestone - Mock Load of the Participating Municipality data, verification Complete		
Milestone - System Interfaces Complete		
Milestone - Reports Complete		
Milestone - Integrated Systems Test Complete		
Milestone - Solution in Production		
Milestone - Post-implementation Support Complete		
Subtotal		
Total	\$	\$

5. Managers and Service Standards

5.1. Project Managers

The Participating Municipality has designated a Project Manager to represent the interests of the Participating Municipality under this agreement. CGI shall not perform any services, including software configurations, training, or technical support, without the express written authorization of the Participating Municipality’s Project Manager. If CGI has designated a Project Manager, the Participating Municipality shall direct all communications regarding the Project to CGI’s Project Manager. The Project Managers for this agreement are as follows:

Participating Municipality	CGI

5.2. Training Effectiveness

If the Participating Municipality asserts in good faith that any CGI training consultant lacks the skill or capacity to adequately train the Participating Municipality’s staff, CGI shall replace such training consultant as soon as reasonably possible.

5.3. Approval of Training

6. CGI Advantage360 Training Methodology

CGI shall submit to the Participating Municipality before a training session an agenda to be covered and the key materials to be provided during the training session. CGI also shall provide to the Participating Municipality details associated with the layout of the training facility, computer requirements, as well as all associated media necessary for CGI to effectively deliver the training session. The Participating Municipality will conduct a rating of the session after its completion and communicate the results of this rating to CGI for future class improvements. If the participants in a training session rate the training as ineffective, CGI shall repeat that training session at no cost to the Participating Municipality.

7. CGI Advantage360 Delivery Methodology

To provide the efficiencies of schedule and productivity that a Managed Application implementation and implementation of the Managed Application requires, CGI has incorporated a disciplined, progressive methodology that requires diligent adherence to project work plans, project deliverable due dates, and staffing levels and competencies.

The CGI Advantage360 Delivery Methodology includes the following Stages:

1. Project Contract Documents
2. Project Governance
3. Non-Production Environment Configuration
4. Track Initiation

5. Participating Municipality Project Team Training
6. Business Process Design (BPD) Review and Confirmation
7. Solution Configuration
8. Participating Municipality Data Upload and Mock Load
9. Production Environment Configuration
10. Interfaces
11. Reports and Forms
12. Testing (Integrated System Testing (IST) and User Acceptance Testing (UAT))
13. End User Training
14. Production Cut-over
15. Post-implementation Support

As part of the development of the project work breakdown structure, CGI and the Participating Municipality will determine the list of Work Products that will be the objective for a particular Work Package within each Stage. This approach is contingent upon a project model where CGI and the Participating Municipality commit resources to be available to support the Work Package activity within a time allotment agreed to by CGI and the Participating Municipality. The Advantage360 Delivery Methodology includes standardized documentation, templates, forms, Day-One Database, layouts, schemas, and other pre-defined artifacts which are provided by CGI to the Participating Municipality to facilitate the execution and completion of each Work Package. Section 4, Compensation, of this agreement outlines the specific allocation of responsibilities to CGI and the Participating Municipality resources for each Work Package. At the end of a Work Package (or Work Package time allotment), any objectives or activities not completed and not the responsibility of CGI will become the sole responsibility of the Participating Municipality. Uncompleted items that are the responsibility of CGI will be addressed through the Change Control process. The Participating Municipality is not obligated to pay for any uncompleted objectives or activities of a Work Package that is the responsibility of CGI until fully addressed through the Change Control process.

8. Implementation Plan

During the implementation, CGI will adhere to its Client Partnership Management Framework (“CPMF”). CGI’s detailed methodology includes an approach for general Project-related change control, system testing, user testing, user acceptance, key Deliverables, and milestones for the complete proposed Managed Application, including nonparty components. For additional detail on the CPMF, see Appendix A.

“Ensemble,” CGI’s content management and document repository solution, built on Microsoft SharePoint technology, will be used as a repository for all Project artifacts, documentation, Deliverables, and working documents. The Ensemble site is a dedicated instance of Microsoft SharePoint, for the specific purpose of the Project. The Ensemble site is secured to limit access to only Project staff from CGI and the Participating Municipality, and is administered by a Project resource. MMSA staff or vendors may be provided access at the request of the Participating Municipality. All Project artifacts are stored and shared using the Ensemble site. Alternative

product repositories will not be used for the purposes of storing and maintaining any Project artifacts. Upon conclusion of the project, this repository will remain accessible to the Participating Municipality.

The CGI Advantage360 Implementation Methodology follows an iterative approach for planning and delivering the Managed Application to the Participating Municipality. The Project implementation activities are segmented into four Phases: one Project Initiation Phase, and three functional implementation Phases:

- Phase 1: Project Initiation
- Phase 2: CGI Advantage360 Financial Management
- Phase 3: CGI Advantage360 Human Resource Management
- Phase 4: CGI Advantage360 Performance Budgeting

Within the Project Initiation Phase (Phase 1) activities are grouped into three Stages for initiating the project:

- Project Contract Documents
- Project Governance
- Non-Production Environment Configuration

Within each functional implementation Phase (Phases 2-4) of the implementation, activities are grouped into twelve Stages.

- Track Initiation
- Participating Municipality Project Team Training
- BPD Review and Confirm
- Solution Configuration
- Participating Municipality Data Upload and Mock Load
- Production Environment Configuration
- Interfaces
- Reports and Forms
- Testing (Integrated System Testing (IST) and User Acceptance Testing (UAT))
- End User Training
- Production Cut-over
- Post-implementation Support

Within each Stage of the implementation, CGI and the Participating Municipality resources will collaborate in pursuit of each Project Milestone. This includes the designation of “Lead”, “Support” and “Participate” roles for each Stage. The definition of each role within the Stage is outlined in the table below.

Lead	Support	Joint	Participate
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Responsible for the execution and completion of all Stage activities and Deliverables	Provides support to lead resources in an advisory capacity for all activities and Deliverables	Share responsibility of execution and completion of all Stage activities and Deliverables	Attend and engage in required project activities (such as meetings, training, knowledge sharing, etc.)
---	--	---	--

The specific responsibilities for CGI and the Participating Municipality are outlined for each Stage with set level of effort (“LOE”) constraints for each party. While both parties will collaborate and contribute toward the successful completion of each Stage, the lead role will be responsible for the successful completion of the Stage outputs. It will be the responsibility of the Lead role within each stage to identify risks toward completion of a Stage as they occur so that mitigation approaches can be developed, inclusive but not limited to initiating a change under the Change Control Process.

Finally, each Stage consists of detailed implementation tasks, activities and/or Deliverables to be accomplished within each Phase. More specifically, each Work Package is an inventory of prioritized activities necessary to reach specified Project Milestones. As each Work Package is addressed, a Backlog is built and prioritized. Throughout the execution of the Work Package, items are removed from the Backlog as they are completed. The Backlog is reviewed throughout the implementation and is re-prioritized to meet the critical path needs of the Project. This approach allows for focused engagement on Project tasks by assigned CGI and the Participating Municipality resources, and to keep the Project on schedule.

8.1. Phase 1: Project Initiation

Before the execution of any Functional Implementation activities, CGI and the Participating Municipality will engage in a detailed Project planning activity, including development of a Project Work Plan. This planning activity will include review of the Services Agreement, the Participation Agreement, the High Level Project Work Plan, and this agreement (the “Project Contract Documents”); followed by the establishment of Project Work Plan, Project Management Plan, and Project Charter (“Project Governance Documents”).

8.1.1. Project Contract Documents Stage (Stage 1)

Before the initiation of the functional implementation of the Managed Application, the Participating Municipality and CGI shall review and execute all necessary Project Contract Documents. This includes the following Project Contract Documents:

8.1.1.1. Project Contract Documents

8.1.1.1.1. Participation Agreement

8.1.1.1.2. Implementation and Support Services Agreement

8.1.1.2. Responsibility

CGI	Participating Municipality
Lead	Support

8.1.2. Project Governance Stage (Stage 2)

After executing the Project Contract Documents, CGI and the Participating Municipality will perform a detailed review of and accept (in accordance with Section 10, Acceptance) the Project Governance Documents which will be used to govern the Project. The CGI Advantage360 Delivery Methodology provides Project Governance Document templates, which CGI and the Participating Municipality, Project Managers and the Executive Advisory Committee members will adjust to develop a Project-specific final draft which will be used throughout the duration of the Project Functional Implementation.

Specifically the project management plan will include the following control procedures that will be used on all subsequent Phases.

- Project Charter
- Project Organization
 - Project Work Plan
- Project Control Procedures
 - Change Control
 - Task Management
 - Deliverable Management
 - Staffing Management
 - Issue Management
 - Risk Management
 - Configuration Management
 - Software Incident and Defect Reporting and Tracking
 - Quality Management
- Communication Strategy
- Acceptance Test Process
- End User Training

8.1.2.1. Project Governance Documents

- *Project Work Plan*
- *Detailed Project Work Plan Review and Acceptance*
- *Project Management Plan Review and Acceptance*
- *Project Charter Review and Acceptance*

8.1.2.2. Responsibility

CGI	Participating Municipality
Joint	Joint

8.1.3. Non-Production Environment Provisioning Stage (Stage 3)

A Managed Application environment for FM, PB and HRM and any Adaptors will be provisioned within the CGI Hosting Facilities for use during non-production activities of the Project. This environment will be provisioned with the Day-One Database, and will not initially include any Participating Municipality-specific data or configuration.

8.1.3.1. Responsibility

CGI	Participating Municipality
Lead	N/A

8.2. Phase 2, 3, 4: Functional Implementation

Each of the three functional area Phases (FM, PB, and HRM) comprises the following twelve Project Stages (Stages 4 – 15). Detailed Work Package tasks and activities will vary by functional area Phase; however the broad categories for the Work Packages and Stages will remain consistent.

8.2.1. Track Initiation Stage (Stage 4)

During the Track Initiation Stage, the Integrated Project Team will perform a detailed review of the PWP for the functional area to be implemented (FM, PB, and HRM). The review will include development and or refinement of the Work Package Backlog for each Stage of the Project, ultimately resulting in an accepted Project Work Plan and schedule. Concurrent to the activity to review and accept the detailed Project Work Plan, the Non-Production environment will be configured for use by the Integrated Project team for the process prototyping activities.

8.2.1.1. Track Initiation Stage Work Packages

8.2.1.1.1. *Review and accept detailed Project Work Plan*

Project management will be provided over the course of the Project under guidance of the Executive Advisory Committee, with the support of CGI Project Advisors. CGI's Project Manager will work closely with the Participating Municipality's Project Manager to review, update, validate, and accept (by both CGI and the Participating Municipality) the proposed PWP and Project Work Plan (in accordance with Section 10, Acceptance).

8.2.1.1.1.1. Responsibility

CGI	Participating Municipality
Joint	Joint

8.2.1.1.2. *Setup Non-production Environment*

As part of the Track Initiation Stage, CGI will configure the Managed Application non-production environment within the CGI Hosting Facilities for the corresponding Phases (FM, PB, and HRM) for use during training, business process prototyping, configuration, development and testing. The non-production environment will be re-purposed throughout the Project based on specific Project activities. The sequence below outlines the principal use of non-production environment throughout the Project.

Non-Production Environment Sequence of Use:

- Training
- Prototyping
- Configuration
- Participating Municipality Data upload development
- Interface development
- Forms development
- Reports development
- Testing (Integrated System Testing and User Acceptance Testing)
- End-user training
- Post implementation sandbox/training

8.2.1.1.2.1. Responsibility

CGI	Participating Municipality
Lead	N/A

8.2.2. Participating Municipality Project Team Training Stage (Stage 5)

Participating Municipality Project Team and Extended Team training will be provided through a combination of documentation, self-study courses (prerequisites to CGI Instructor-Led Training classes), and CGI Instructor-Led training classes. The following training courses will be provided:

Course Name
Financial Management
Navigation
Budget Control
General Accounting

Course Name
Procurement
Vendor Self Service
Accounts Payable
Accounts Receivable
Asset Management
Cost Accounting
Cost Allocation
Grant Lifecycle Management
Performance Budgeting
Performance Budget Overview
Performance Budget Chart of Accounts
Salary and Benefits Forecasting
Budget Forms
Budgeting for Performance
Human Resource Management
Navigation
Benefits Administration
Deduction Management
Payroll Management
COBRA
Employee Relations
Employee Self Service
Manager Self Service

Course Name
Position Management
Time and Leave Management
Workers Compensation
Employee Profile Management
Learning and Career Development Document
Additional Features
Security/Workflow
Other Technical Features
Technical
Data Upload
Interface Development including Adaptors
Reporting
Forms

PatternStream training will also be provided during the Project implementation. This training will be delivered by the CGI Project Team rather than by CGI Training Services.

8.2.2.1. Responsibility

CGI	Participating Municipality
Lead	Participate

8.2.2.2. Participating Municipality Project Team Training Stage Work Packages

8.2.2.2.1. Phase Kick-off Meeting

A kick-off meeting will be presented jointly by CGI and the Participating Municipality Project Managers, at which Project Team attendance is expected. The meeting is intended to align all resources on the scope and approach to the Project.

8.2.2.2.1.1. Responsibility

CGI	Participating Municipality
Joint	Joint

8.2.2.2.2. Functional Training

Detailed functional training will be delivered onsite by CGI Training Instructors. Functional training focuses on general Managed Application navigation and use, along with a review of the CGI Advantage360 Business Process Designs (“BPD”) for the Project Phase (FM, PB, and HRM).

8.2.2.2.2.1. Responsibility

CGI	Participating Municipality
Lead	Participate

8.2.2.2.3. Technical Approach Training

Technical training includes Instructor-Led lessons delivered onsite and knowledge transfer sessions on the Managed Application technical architecture and technical development approach. The training includes an overview of the tools used for data upload, interfaces, business intelligence/reporting, forms and operations.

8.2.2.2.3.1. Responsibility

CGI	Participating Municipality
Lead	Participate

8.2.3. Review and Confirm Stage (Stage 6)

The Integrated Project Team, led by Participating Municipality and CGI Project Managers, will review the PWP, develop inventories of all Work Products to be produced as an output of each Work Package, and produce the initial Backlog and sequencing of all activities for the Project Work Products Stage of the Project. The output of the Review and Confirm Stage will set the initial Project Backlog, which will undergo review and revisions throughout the duration of the Project. There are two planned iterations of the Build Work Backlog Work Package. Any incomplete or unaddressed work products after two Work Package iterations will be the responsibility of the Participating Municipality or addressed through the Change Control process.

8.2.3.1. Review and Confirm Stage Work Packages

8.2.3.1.1. Build Work Backlog- Iteration 1

Building the Work Product Backlog will include defining and accepting (in accordance with Section 10, Acceptance) an inventory of each unique Work

Product, both Technical and Functional. Once defined, each Work Product will be individually prioritized and sequenced within the Backlog to account for critical path dependencies and resource availability. The following activities will occur during build work backlog – Iteration 1:

- Work Package Planning
- Business Processes Design Inventory
- Participating Municipality Data Upload Inventory
- System Interface Inventory
- Report and Online Inquiry Inventory
- Forms Inventory

8.2.3.1.1.1. Responsibility

CGI	Participating Municipality
Lead	Participate

8.2.3.1.2. *Build Work Backlog- Iteration 2*

Iteration 2 of building the Work Product Backlog is a continuation of the incomplete or unaddressed tasks from iteration 1. At completion of this Work Package, a debrief meeting will occur to review all results of the updated Backlog as an output of both iterations.

- Business Processes Design Inventory Update

8.2.3.1.2.1. Responsibility

CGI	Participating Municipality
Lead	Participate

8.2.4. Project Work Products Stage (Stages 7 – 15)

The Project Work Products Stage is the largest group of Project Work Packages, and the Stage which will result in the design, technical development, conversion, configuration, and functional business process design related to delivering the Managed Application for the specific Phase (FM, PB, and HRM). Within this Project Stage the Integrated Project team will prototype legacy business processes and adapt the business process provided by leveraging the best practices templates and pre-configurations within the CGI Advantage360 Implementation Methodology. Each Technical Work Product of the Managed Application will also be developed jointly with CGI and the Participating Municipality resource, and unit tested as an individual Project Work Package within this Stage.

Upon completion of all Work Package Deliverables or artifacts, testing activities will commence with Integrated System Testing (“IST”) and User Acceptance Testing (“UAT”). Throughout the Project Work Products Stage, each completed and accepted artifact and deliverable will be migrated to the Participating Municipality’s Managed Application Production Environment database schema (“Gold Schema”) which will be used in the Cut-Over at Go-Live.

The specific Work Packages within the Project Work Products Stage will vary depending on the Project Phase (FM, PB, and HRM), resulting in Backlogs of Work Products. As such, each individual Work Package activity may be replicated multiple times (likely two to three) to accommodate the Backlog volume for each area of focus.

8.2.5. Solution Configuration (Stage 7)

Business Process Design (“BPD”) Inventory developed in the Review and Confirm Stage is the basis for configuration of the Managed Application. Each best practice BPD will be reviewed in the context of the requirements and anticipated business processes. From this starting point, the Integrated Project team will identify BPD matches to existing Participating Municipality business processes, and prototype gaps in business processes to determine best alternative to achieving the business requirement. Upon completion of this Work Package the accepted Day-One Database configuration will be loaded to the Gold Schema for use during IST and UAT.

The table below lists the expected BPDs by Project Phase and business area.

Business Process Document By Business Area
Phase 2: Financial Management (FM)
Budgeting
Cost Allocation
Accounts Payable
Accounts Receivable
Cost Accounting
Fixed Assets
General Accounting
Procurement
Grants Lifecycle Management

Phase 3: Human Resource Management (HRM)
Position Management
Recruiting and Staffing
Personnel Management
Time and Leave Management
Learning and Career Development
Employee Relations
Employee Self-Service (ESS)
Manager Self-Service (MSS)
Deduction Management
Benefits Administration
Payroll Accounting Management
Payroll Management
Phase 4: Performance Budgeting (PB)
Budget Forms
Capital Budget Form
Performance Management
SPFS
Budget Rollover
Users and Security
Reference Data

8.2.5.1. Responsibility

CGI	Participating Municipality
Lead	Support

8.2.6. Participating Municipality Data Upload (Stage 8)

The Participating Municipality will evaluate legacy data to determine if any potential Participating Municipality data cleansing activities are necessary, and the Participating Municipality will attempt to correct data issues before extracting for Participating Municipality data upload to the Managed Application. Once the data is cleansed and compiled in the legacy system, the Participating Municipality will extract the data and load to pre-defined file formats provided by CGI.

CGI will load the Participating Municipality data from the pre-defined file formats into the Managed Application. Participating Municipality will validate the results of the Participating Municipality data upload through online and reporting tools, provide acceptance (in accordance with to Section 10, Acceptance).

8.2.6.1. Mock Participating Municipality Data Upload

Two executions of mock data upload are included for each Phase of the Project. A possible third mock execution can be executed, if necessary. A mock data upload is a full volume test of the Participating Municipality data upload into the Managed Application.

8.2.6.2. Responsibility

CGI	Participating Municipality
Lead	Support

8.2.7. Production Configuration (Stage 9)

Based upon the accepted BPD designs and the decisions from the prototype activity, the Integrated Project Team will proceed with Production Configuration Work Package activities, the Integrated Project Team will configure the Managed Application Reference Tables with business rules, processing requirements and constraints (as defined in the updated and accepted BPDs). This is the provisioning and configuration of the Managed Application Production Environment with the Gold Schema.

8.2.7.1. Responsibility

CGI	Participating Municipality
Lead	N/A

8.2.8. Interfaces (Stage 10)

The Integrated Project Team will develop interfaces as a joint effort between CGI and the Participating Municipality during the appropriate Work Package activity. The System Interface Inventory developed in the Review and Confirm Stage of the Project will be developed, unit tested and accepted using the CGI Advantage360 Business Integration framework.

CGI will be responsible for the integration tasks, such as:

- Integration for baseline CGI Advantage360 Performance Budgeting with baseline CGI Advantage360 Financial Management
- Integration for baseline CGI Advantage360 Performance Budgeting with baseline CGI Advantage360 Human Resource Management
- Temporary interface of core legacy systems with baseline CGI Advantage360 Performance Budgeting, Financial Management and Human Resource Management during the Phase implementation

This will include any operations and run sheets associated with the integration activities.

Participating Municipality will receive inbound data and format into the pre-defined file formats provided by CGI. CGI will take the pre-defined file with data and transform the data for loading into the Managed Application. Participating Municipality will validate that the results are successful and accurate, and provide acceptance (in accordance with Section 10, Acceptance).

CGI will extract outbound interface data and format into pre-defined file formats and provide to the Participating Municipality. Participating Municipality will validate that the results are successful and accurate, and provide acceptance (in accordance with Section 10, Acceptance). Participating Municipality will be responsible for any transformation efforts necessary to submit data to third parties.

The following Participating Municipality interfaces have been identified to be covered under this agreement.

Phase	Interface Name
Phase 2: Financial Management	
Phase 3: Human Resource Management	

8.2.8.1. Responsibility

CGI	Participating Municipality
Lead	Support

8.2.9. Reports and Forms (Stage 11)

8.2.9.1. Reports

The Integrated Project Team will develop reports as a joint effort between CGI and the Participating Municipality during the appropriate Work Package effort using the CGI Advantage360 Business Intelligence Platform. The Report Inventory developed in the Review and Confirm Stage of the Project will drive the priority and sequence of development activities for reports. All reports will go through development, unit testing, and provide acceptance (in accordance with Section 10, Acceptance).

CGI will train and support the Participating Municipality in the development of the reports that are agreed upon. CGI will develop the following reports:

	Low Complexity	Moderate Complexity	High Complexity
Reports To Be Developed			

The remaining reports will be developed by the Participating Municipality with support from CGI.

Complex reports, such as those requiring multiple data sources, or complex logic for calculations may need to be developed through a development tool available to a select number of the Participating Municipality resources on a CGI Hosted Virtual Machine where access is provided to the Participating Municipality through a VPN connection. Once a report is developed, Participating Municipality will execute the report to obtain data as required without CGI involvement.

A Report Design template will be provided to the Integrated Project Team for each report and will contain the report requirements necessary to develop through the CGI Advantage360 Business Intelligence Platform. Reports will be designed, developed, unit tested and accepted during this Work Package.

The following Participating Municipality reports have been identified. This table identifies which reports are considered to be covered through an online inquiry, an existing baseline report and which reports will need to be developed during the project. This Report Inventory will be reviewed, prioritized and agreed to as part of the Work Package planning for reports. Any report requirements beyond the mutually agreed upon Report Inventory will be a change under the Change Control Process, or will be the responsibility of the Participating Municipality.

Phase	Report Name	Type of Report

8.2.9.2. Responsibility

CGI	Participating Municipality
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Support	Lead
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8.2.9.3. Forms Branding

The Integrated Project Team will deploy forms branding updates using the CGI Advantage360 Business Forms Platform. The Forms branding Work Package includes application of the Participating Municipality’s logo and branding information to the standard Managed Application forms inventory items identified in the Review and Confirm Stage. This Work Package includes design work limited to application of branding content and information, unit testing and forms approval for the following forms:

CGI Advantage360 Financials

- Accounts Payable Payment Warrant/Check
- Purchase Order
- Accounts Receivable Invoice
- Statement

CGI Advantage360 Human Resources

- Payroll Warrant/Check
- Payroll Direct Deposit Advice
- Earnings Statement

CGI Advantage360 Performance budgeting

- None

Any forms requirements beyond the above are the responsibility of the Participating Municipality or will be addressed through the Change Control process.

8.2.9.4. Responsibility

CGI	Participating Municipality
Lead	Support

8.2.10. Testing (Stage 12)

8.2.10.1. Integrated System Testing (“IST”)

The IST Work Package focuses on building and executing an integrated system test of the Managed Application. The Integrated System Test verifies that the various system sub-components from each Work Package are communicating properly within the integrated system; including inbound and outbound interfaces, data conversion and load, report generation and forms output in preparation for UAT.

8.2.10.2. Responsibility

CGI	Participating Municipality
Lead	Support

8.2.10.3. User Acceptance Testing (“UAT”)

The final series of tests for the Managed Application is UAT. This task area is the responsibility of the Participating Municipality, including test script development and execution. CGI will be responsible for staging the UAT instance (including running the mock data conversions to populate the environment with the Participating Municipality data) and assist with logging issues as result of script execution. A UAT test plan is developed in this Work Package, along with the acceptance sign-off criteria. Inclusive in the test planning effort is a definition of a test data approach for acquiring and validating test data to be used as input for the UAT testing effort; as well as testing schedules and allocation of testing resources from Participating Municipality. Participating Municipality testing resources will develop testing scenarios during this Work Package which mimic the expected business process for each functional domain (using the BPDs from the Solution Configuration Work Package as input). Upon completion of the test scripts and the acceptance criteria are met, the Participating Municipality will provide formal acceptance of the completion of UAT (in accordance with Section 10, Acceptance).

8.2.10.4. Responsibility

CGI	Participating Municipality
Support	Lead

8.2.11. End-User Training (Stage 13)

8.2.11.1. Material Development

An inventory of the Participating Municipality’s training requirements will be developed and training materials developed by Participating Municipality using the Participating Municipality Project Team training materials and input from the BPDs developed during the Managed Application Configuration Work Package.

8.2.11.1.1. Responsibility

CGI	Participating Municipality
Support	Lead

8.2.11.2. Train-the-Trainer

In preparation for production Cut-Over, CGI will provide train-the-trainer training. This training activity will include tools and techniques on how to deliver the CGI Advantage360 training. Services to be provided over two full days include:

Three hour adult learning theory class

One full day delivery of end user training (from Participating Municipality's custom materials) so Participating Municipality trainers have an opportunity to observe an experienced trainer

One 45 minute mock delivery for each trainer with a 15 minute feedback session for up to four (4) trainers

8.2.11.2.1. Responsibility

CGI	Participating Municipality
Lead	Participate

8.2.11.3. End-User Training

In preparation for production Cut-Over, Participating Municipality will provide end-user training. This training activity will include instructor led classroom training led by Participating Municipality's training resources.

8.2.11.3.1. Responsibility

CGI	Participating Municipality
Support	Lead

8.2.12. Production Cut-Over Stage (Stage 14)

At the completion of the Project Work Products Stage, the Managed Application is ready for production Go-Live Cut-Over. This Stage involves the joint (CGI and the Participating Municipality) planning activities necessary to identify assess readiness for production, Cut-Over schedules and resource allocations, help desk setup and operational logistics, and ultimately making the production system available for business use.

8.2.12.1. Production Cut-Over Stage Work Packages

8.2.12.1.1. Readiness Assessment

CGI will provide a series of readiness checklists that the Integrated Project Team will complete to determine current status and action items that need to be addressed to successfully go into production.

This process is the basis for the go/no-go decision process.

8.2.12.1.1.1. Responsibility

CGI	Participating Municipality
Joint	Joint

8.2.12.1.2. Transition Planning

During transition planning, the Integrated Project Team will define the schedule of events for Cut-Over and required tasks on the critical path to Cut-Over.

8.2.12.1.2.1. Responsibility

CGI	Participating Municipality
Joint	Joint

8.2.12.1.3. *Project Help Desk*

Before production Cut-Over, the Integrated Project Team will establish a help desk for addressing issues that arise during the Cut-Over time as well during the steady-state production operations. This Work Package includes the logistics, staffing, and procedures around establishing the Participating Municipality helpdesk.

The scope of the Participating Municipality’s help desk will be to provide Tier 1 level support to the end-user community; such as password reset, network support, etc. The Participating Municipality Project Team will provide business process issue resolution to end-users.

CGI will provide Issue support to the Participating Municipality Project Team as defined in the Services Agreement. Post implementation help desk support is defined in Section 8.2.13.

8.2.12.1.3.1. Responsibility

CGI	Participating Municipality
Lead	Support

8.2.12.1.4. *Cut-Over*

At the completion of all prior Work Packages, a “go/no-go” decision will be made by the Integrated Project Team. If all readiness assessment concerns are addressed, and a “go” decision is provided; the Cut-Over checklist will be executed as defined in the Transition Planning Work Package.

8.2.12.1.4.1. Responsibility

CGI	Participating Municipality
Lead	Support

8.2.13. Post-Implementation Support Stage (Stage 15)

Post-implementation is a two-month period of time following the month of production cut-over where project resources close down the project and finalize transition of the solution to managed services steady-state operations. CGI resources will be available to continue to

answer questions and troubleshoot operational and solution issues. However, the efforts will transition from CGI project resources to the Participating Municipality staff and CGI Advantage360 Subscription Services.

Resource	First Month following production cut-over	Second Month following production cut-over
CGI Project Manager		
Financial Methodology Expert		
Performance Budgeting Methodology Expert		
Human Resources/Payroll Methodology Expert		

Post implementation, the Participating Municipality will support the FMS Go-Live by providing Tier 1 Help Desk and client network support, while escalating issues with the Managed Application to the Advantage Support Center as provided under the Services Agreement.

CGI will schedule a meeting to turn the Managed Application over to CGI Advantage360 Subscription Services.

8.2.14. Responsibility

CGI	Participating Municipality
Support	Lead

9. Assumptions

9.1. General Assumptions

- 9.1.1.** CGI will provide the functionality as defined in the BPDs and CGI’s response to the functional matrices.
- 9.1.2.** CGI System customizations are not included in scope, and generally not allowed under the Services Agreement.
- 9.1.3.** The live production Cut-Over date for HRM will not cross a payroll period. Because conversion routines supported by CGI for HRM are not constrained by quarter or year-end, the live production cut-over will occur according to the Project Work Plan and not necessarily at a quarter or year-end.
- 9.1.4.** The Participating Municipality and CGI staff will use the nonparty tools that are integrated within the CGI System to leverage the efficiencies inherent in the standard CGI Advantage360 implementation services

- 9.1.5.** The post-implementation support provided by CGI resources may be both onsite and offsite.
- 9.1.6.** No configuration changes will be made to functional areas once prototyping is complete within the Work Products – Solution Configuration Stage.
- 9.1.7.** The Participating Municipality will be primarily responsible for planning and executing UAT activity within the Work Products – Testing Stage.
- 9.1.8.** The Participating Municipality will be responsible for data verification, correction and Acceptance (according to Section 10) during conversion testing and once the data conversion process is completed in the Work Products – Participating Municipality Data Upload and Mock Load Stage.
- 9.1.9.** The Participating Municipality Project Manager will review Project Issues in a timely manner (within five business days or as otherwise mutually agreed by the parties) so as not to affect the Project Work Plan. If resolution cannot be made within five business days or as otherwise mutually agreed, the Participating Municipality Project Manager will verify that the issue is raised to the appropriate level (such as the Executive Advisory Committee).
- 9.1.10.** A dedicated Participating Municipality Project Manager and the Participating Municipality Project Team will be established to work on the Project to provide for timely completion of the Participating Municipality’s Project responsibilities.
- 9.1.11.** The Participating Municipality will establish an Executive Steering Committee (“ESC”) that will have decision making responsibility and authority over the Participating Municipality Project Team and engagement. Members of the ESC should be from the Director level of the Participating Municipality and should include the CGI Executive and the Project Managers from both the Participating Municipality and CGI. The ESC should meet periodically or at mutually agreed upon intervals.
- 9.1.12.** The Participating Municipality will provide additional resources to support the core Project Team and complete Participating Municipality tasks. These resources may include, but are not limited to: Project sponsors and executives (Executive Advisory Committee), technical experts, trainers, end-users, managers, information technology staff, and the operations staff that will maintain the new system upon implementation. These resources need not be dedicated full-time to the Project, but must be available to complete their assigned tasks per the mutually agreed upon detailed Project plan.
- 9.1.13.** The Participating Municipality Project Manager will assign functional and technical experts of the current systems being replaced to the Integrated Project Team to work with CGI in designing the interfaces and assist in identifying and resolving Project Issues that arise related to the Functional and Technical features of the Managed Application.
- 9.1.14.** CGI will coordinate its Project activities through the Participating Municipality Project Manager regarding Project-related management items such as issues, changes under the Change Control process, invoicing, status reports, etc. within ten business days of the agreed upon start date of the Project.

- 9.1.15.** Unless otherwise specified, Project Team Training materials, Business Process Documents, reports, interfaces, tools, methods and other products, outcomes or results developed by the Integrated Project Team produced as a result of the implementation effort can be shared by the Participating Municipality with other MMSA CGI Advantage clients, without restriction. Similarly, unless specifically excluded in other agreements, the Participating Municipality is not precluded from obtaining and re-purposing Participating Municipality Deliverables from CGI's other MMSA Advantage clients.
- 9.1.16.** The following work environment will be available for CGI's Project Team members:
- 9.1.16.1. Workspace for approximately [] CGI staff (including at least one private office) and normal office equipment, including desks, phones, fax facilities, white board, adequate filing space and access to conference rooms for Project-related meetings.
 - 9.1.16.2. Wireless connection for approximately [] CGI staff.
 - 9.1.16.3. User-Ids/Passwords for approximately [] CGI staff for LAN access to files servers for document storage of up to 100 gigs, and increased throughout the Project as needed.
 - 9.1.16.4. Access to network Laser printers (dedicated Project printer preferable).
 - 9.1.16.5. Access to the Internet.
 - 9.1.16.6. Ability to utilize CGI's VPN for continuous access to CGI's databases at CGI's home office.
 - 9.1.16.7. Security badges for site access outside of normal business hours of the Participating Municipality consistent with the Services Agreement.
 - 9.1.16.8. Any additional facilities and equipment not enumerated above shall be supplied at the discretion of the Participating Municipality.
 - 9.1.16.9. The Participating Municipality will provide CGI VPN access to Project data as necessary for CGI scheduled remote access and work.
- 9.1.17.** In addition to the background checks required pursuant to Section 7.4 of the Services Agreement, the Participating Municipality will fingerprint all CGI resources assigned to perform services under the ISSA on Participating Municipality premises and will be responsible for associated state and Federal Bureau of Investigation searches.

9.2. Reporting Assumptions

- 9.2.1.** All Reports are built based upon Design Templates and must be written and then accepted by the Participating Municipality before the development of any individual report may begin.
- 9.2.2.** Changes or deviations to the Report Design template after acceptance will follow the Change Control process (as defined within the Project Management Plan) and may delay delivery of the report.
- 9.2.3.** The Participating Municipality is responsible for the design, development, and unit testing of all reports, except those that CGI is explicitly responsible for developing.

- 9.2.4.** The Participating Municipality will utilize CGI Advantage360 Business Intelligence's baseline reporting data sources or shared data sources where applicable.
- 9.2.5.** The Participating Municipality will utilize baseline reports and inquiries where applicable. New data sources or changes to existing data sources will be handled through the Project Change Control Process. Changes developed by the Participating Municipality to baseline data sources, or custom data sources developed by the Participating Municipality are not covered by CGI's provided warranty or maintenance.
- 9.2.6.** The Participating Municipality and CGI will leverage shared reports (reports developed across the CGI Advantage360 user community or by other Participating Municipalities under the Services) where possible and as a basis to create Participating Municipality-specific reports. Maintenance of shared reports and data sources are the responsibility of the CGI Advantage360 user community, but also may be shared by the MMSA. Adoption of shared reports or data sources is at the discretion of CGI and the CGI Advantage Software Change Control Board (SCCB), which is led by Participating Municipality representatives of the CGI Advantage user community, but may not unreasonably be denied.
- 9.2.7.** The Participating Municipality is responsible for acceptance testing of all reports.

9.3. Interface Assumptions

- 9.3.1.** An important component of the Project is interfaces. The timely completion of these tasks is important for successful training, testing and live production cutover. It is critical that the Integrated Project Team have access to both functional and technical resources knowledgeable in the Participating Municipality's systems to facilitate, test, reconcile and verify the interface processes.
- 9.3.2.** CGI will develop interface designs based upon updated documentation and specifications obtained by Participating Municipality.
- 9.3.3.** All interfaces will be batch. True real time interfaces can significantly increase costs and may not be necessary in all cases.
- 9.3.4.** Because the Managed Application supports XML, the industry standard for message formatting, the solution supports numerous industry standards for supporting A2A interfaces including programmatic methods (such as EJB, JMS, API support, etc.) as well as leveraging the J2EE framework (Java Mail (SMTP), JNDI (LDAP), etc.). Data residing within the Managed Application (transaction or table) can be exported into an XML format and data formatted in XML can be imported into the Managed Application.
- 9.3.5.** CGI's proposed approach, plan, and estimates are based on the fact that interfaces can be supported using CGI's integrated toolset. This toolset provides the integration infrastructure and run-time environment for data visualization, transformation, conversion, and integration. The approach to interface development is to configure CGI's integrated ETL tool to meet the specifications in the interface designs.
- 9.3.6.** The Participating Municipality is responsible for acceptance testing of the interfaces.

9.3.7. CGI will make technical documentation of the pre-defined file formats for interfaces available to the Participating Municipality upon request following approval of this agreement.

9.4. Conversion and Data Upload Assumptions

- 9.4.1.** Data conversion approach will utilize the baseline CGI conversion methodology.
- 9.4.2.** The Participating Municipality is primarily responsible for data verification and correction once the data conversion process is complete. Subsequent conversion runs will not be started until the Participating Municipality has accepted the previously converted, dependent data.
- 9.4.3.** Financial Data Conversion will include balances and open purchase orders, active grants, contracts and current business items. For mid-fiscal year cut-over for CGI Advantage Financial Management, the year-to-date data necessary to conduct business and to generate accurate year-end documents (such as 1099s) will be converted. No other history will be converted.
- 9.4.4.** Human Resource and Payroll Data Conversion will include an employee record of the date of hire, and a second record to establish the employee's attributes at the time of production cut-over. No other historical data will be converted.
- 9.4.5.** Performance Budgeting does not provide for data conversion. Instead, starting employee salary and benefits data, and prior budget will be loaded as a budget process starting point. No other historical data will be converted.
- 9.4.6.** The Participating Municipality will provide source files and data during the conversion development process in the exact format that will be used to load budget balances, beginning balances, and fixed assets.
- 9.4.7.** The Participating Municipality is responsible for providing key resources to be actively involved in the preparation and approval of the live production Cut-Over plan.

9.5. Forms Assumptions

- 9.5.1.** The scope of forms work is limited to branding of baseline CGI Advantage360 forms. The Participating Municipality will be trained in the use of BIRT forms and can create additional forms on an ongoing basis, as needed.

9.6. Training Assumptions

- 9.6.1.** Project Team Training must be delivered by CGI.
- 9.6.2.** Training will be provided based on Train-the-Trainer approach. Additional training assistance would go through the Change Control Process. Participating Municipality can leverage Project Team training materials and BPDs for creation of end user training materials.
- 9.6.3.** End-user training will be developed and delivered by Participating Municipality.
- 9.6.4.** Participating Municipality trainers are responsible for delivery of training to the Participating Municipality end-users, including logistics, and preparation of training environment.

9.7. Post-Implementation Assumptions

9.7.1. Post-Implementation support will be provided for PB, FM and HRM Phases of the project. These services can be provided either through on-site support or off site support.

9.8. Hand-off to CGI for Advantage360 Subscription Services

9.8.1. During the post implementation period, a turnover meeting will be conducted with the Participating Municipality and will include a review of any outstanding software incidents and the related disposition of these incidents will be agreed to.

10. Acceptance

10.1. Acceptance Procedures

- In general, acceptance of Deliverables and the Managed Application will be conducted in accordance with the following procedures. All time periods specified in the following procedures are defaults that may be overridden by the applicable provisions of this agreement or the Project Work Plan. Any delay in receiving approvals within the timeframes specified in this Section 10 will have an effect on the delivery schedule and cost and will entitle CGI to a change under the Change Control Process equitably adjusting schedule and compensation.

10.1.1. Written Deliverables

- “Written Deliverables” include but are not limited to Business Process Designs, test scripts/cases, training documentation, design specifications and design templates. CGI may submit interim drafts of a Written Deliverable to the Participating Municipality for review. The Participating Municipality agrees to review and provide comments to CGI on each interim draft within five business days after receiving it from CGI. Participating Municipality will have the opportunity to review the Written Deliverable for an acceptance period of [] business days after delivery of the final version of the Written Deliverable (the “Acceptance Period”). The Participating Municipality agrees to notify CGI in writing by the end of the Acceptance Period either stating that the Written Deliverable is accepted in the form delivered by CGI or describing in reasonable detail any substantive deviations from the description of the Written Deliverable contained in this agreement or a Project Work Plan that must be corrected before acceptance of the Written Deliverable. If CGI does not receive any such deficiency notice from Participating Municipality by the end of the Acceptance Period, CGI will follow up with the Participating Municipality in writing to acknowledge the lack of acceptance. As such, the Participating Municipality will have an additional 24 hours to respond to the request for acceptance, and at such time should the Participating Municipality still have failed to provide a response, the Written Deliverable will be deemed to be accepted by Participating Municipality. If the Participating Municipality delivers to CGI a timely notice of deficiencies and the items specified in the notice are deficiencies, CGI will correct the described deficiencies within a reasonable period of time. CGI’s correction efforts will be made at no additional charge if the Written Deliverable is being developed under a fixed-price ISSA. If the Written Deliverable is being developed on a time and materials basis, CGI’s correction efforts will be made on a time and materials basis. Upon receipt of a corrected Written Deliverable from CGI, Participating Municipality will have a reasonable additional period of time, not to exceed [] business days, to review the corrected Written Deliverable to confirm that the

identified and agreed-upon deficiencies have been corrected. Participating Municipality will not unreasonably withhold, delay or condition its approval of a final Written Deliverable.

10.1.2. CGI System

- Written Deliverables will be used as the basis for verifying CGI System Acceptance. Testing the CGI System is an iterative process designed to determine whether the CGI System performs the functions described in the defined and accepted configuration and to discover and remove Nonconformities through repeated testing cycles. As used in this agreement, “Nonconformity” means a reproducible condition that prevents the CGI System from performing the functions described in the accepted configurations documents (Written Deliverables) such that the CGI System does not operate or cannot be used in a production environment.
- CGI will deliver configuration documents used to establish the delivered solution including Integrated System Test scripts as a component of the CGI Advantage360 Delivery Methodology. The Participating Municipality will modify both Test Scripts and Training Documents to reflect configuration decisions made during Prototyping as part of Managed Application Configuration. At least 15 days before the date on which CGI is scheduled to deliver the CGI System to the Participating Municipality, Participating Municipality will review the CGI provided testing documentation (including but not limited to test scripts, and the defect logging and/or tracking mechanism) and provide Acceptance in accordance with Section 10.1.1 Written Deliverables. At least 15 days before the date on which CGI is scheduled to deliver the CGI System to the Participating Municipality, the parties will agree upon the testing procedures (including but not limited to assignment of testing resources, testing schedule, test data sets, expected test results) for the CGI System (the “User Acceptance Testing”).

10.1.2.1. The “User Acceptance Test Period” for each component of the CGI System will be defined through the Project Work Plan. The User Acceptance Test Period for each component of the CGI System will begin when CGI has completed all configurations and CGI owned testing activities as defined in the accepted Written Deliverables and releases a component of the CGI System to the Participating Municipality as “Ready for User Acceptance Testing.”

10.1.2.2. The Participating Municipality will start to perform User Acceptance Testing on a component of the CGI System promptly after receiving CGI’s notice that the component of the CGI System is ready for User Acceptance. The Participating Municipality’s User Acceptance Testing will consist of the client adapting the completed Business Process Designs (BPDs) to meet User Acceptance Test requirements and executing UAT scripts during the UAT Period. If the Participating Municipality determines during UAT that the component of the CGI System contains a Nonconformity, Participating Municipality will promptly send CGI a written notice reporting the alleged Nonconformity and that specific User Acceptance Test Script will be suspended until the Nonconformity is corrected by CGI, all other User Acceptance testing will continue. A Nonconformity will be considered “Reported” only if it is described to CGI in sufficient detail through the accepted project Nonconformity reporting process to allow CGI to recreate it. The Nonconformity will be logged, investigated and tracked by CGI through the

accepted project tracking mechanisms and/or repositories and CGI will proactively seek additional information, as necessary, to re-create the Nonconformity in accordance with the Severity Level definitions and other applicable requirements of the Service Level Agreement in Schedule 2 of the Services Agreement.

10.1.2.2.1. Actions to Remedy Nonconformities

10.1.2.2.1.1. Configuration Issue: If the CGI System configuration and/or setup does not conform to Accepted Written Deliverables, CGI will modify the System Configuration to remove the Reported Nonconformity and will provide the modified CGI System to the Participating Municipality for re-testing, and the Participating Municipality will then re-test the modified portions promptly.

10.1.2.2.1.2. Defect: If the CGI System code base does not conform to the Accepted Written Deliverables, CGI will resolve the code base defect to remove the Reported Nonconformity, or CGI will provide a reasonable workaround; and will provide the modified CGI System to the Participating Municipality for re-testing. The Participating Municipality will re-test the modified portions promptly.

10.1.2.2.1.3. Missed Requirement: If the CGI System configuration and the code base conforms to the Accepted Written Deliverables but the expected results are not desired by the Participating Municipality, the deviation will be addressed via the Change Control process.

10.1.2.3. By the end of the UAT Period, the Participating Municipality will provide CGI with a final written list reporting any outstanding Non-conformities (the "Punch List") with their assigned Issue Severity Definitions as defined in the Schedule 2 of the Services Agreement. CGI will address the reported Punch List items to remove the Nonconformities and will provide the modifications/updates to the CGI System to the Participating Municipality. The Participating Municipality will have [] days after receipt of the modifications/updates to re-test the CGI System to confirm that the Nonconformities that are reported on the Punch List have been removed. If any Nonconformities that were reported on the Punch List have not been removed, the Participating Municipality will provide CGI with written notice by the end of the re-testing period reporting any such Nonconformities. In such event, the procedures set forth in this Section 10.1.2.3 will be repeated for the remaining Nonconformities on the Punch List.

10.1.2.4. The parties shall work diligently to achieve Acceptance of the CGI System by the date identified in the Project Work Plan, and the Participating Municipality will work diligently to put the CGI System in live production operations. Acceptance of the CGI System will take place when any of the following events occurs: (i) the Participating Municipality gives CGI written notice of Acceptance; (ii) the UAT Period expires without the Participating Municipality having given CGI the Punch List; or (iii) the UAT re-testing period expires without the Participating Municipality having Reported any remaining Nonconformities on the Punch List.

10.1.2.5. Unless otherwise expressly prohibited under the Contract Documents, Project Team Training materials, Business Process Documents, reports, interfaces, tools,

methods and other products, outcomes or results developed by the Integrated Project Team produced as a result of the implementation effort may be shared without restriction by the Participating Municipality with the MMSA and other participating municipalities under the Services Agreement. Similarly, unless expressly prohibited under the Contract Documents, the Participating Municipality may obtain and re-purpose Deliverables from implementation and support services between CGI and other participating municipalities under the Services Agreement.

11. Change Control

- 11.1.** Either party may propose changes to the scope or time schedule of the Services under this agreement. Requests for changes will be submitted to the other party in writing for consideration of feasibility and the likely effect on the cost and schedule for performance of the Services. The parties will mutually agree upon any proposed changes, including resulting equitable adjustments to costs and schedules for the performance of the Services. The agreed changes will be documented in one or more changes under the Change Control Process.
- 11.2.** If action or inaction by Participating Municipality, or its suppliers' failure to perform their responsibilities in a timely manner, prevents CGI from or delays CGI in performing the Services, CGI will be entitled to an equitable adjustment in the schedule for performance and the compensation otherwise payable to it under this agreement. In such event, the parties will mutually agree upon a change under the Change Control Process documenting the adjustments.
- 11.3.** Amounts payable pursuant to a change under the Change Control Process will be in addition to any fixed prices or funding limitations on time and materials charges or Reimbursable Expenses.

Each party is signing this agreement on the date stated opposite that party's signature.

CGI TECHNOLOGIES AND SOLUTIONS INC.

Date: _____, 20____

By: _____

Name: _____

[printed name of authorized individual]

Title: _____

[printed title of authorized individual]

[full legal name of the Participating Municipality in ALL CAPS]

Date: _____, 20____

By: _____

[signature of authorized individual of the Participating Municipality]

Name: _____

[printed name of authorized individual]

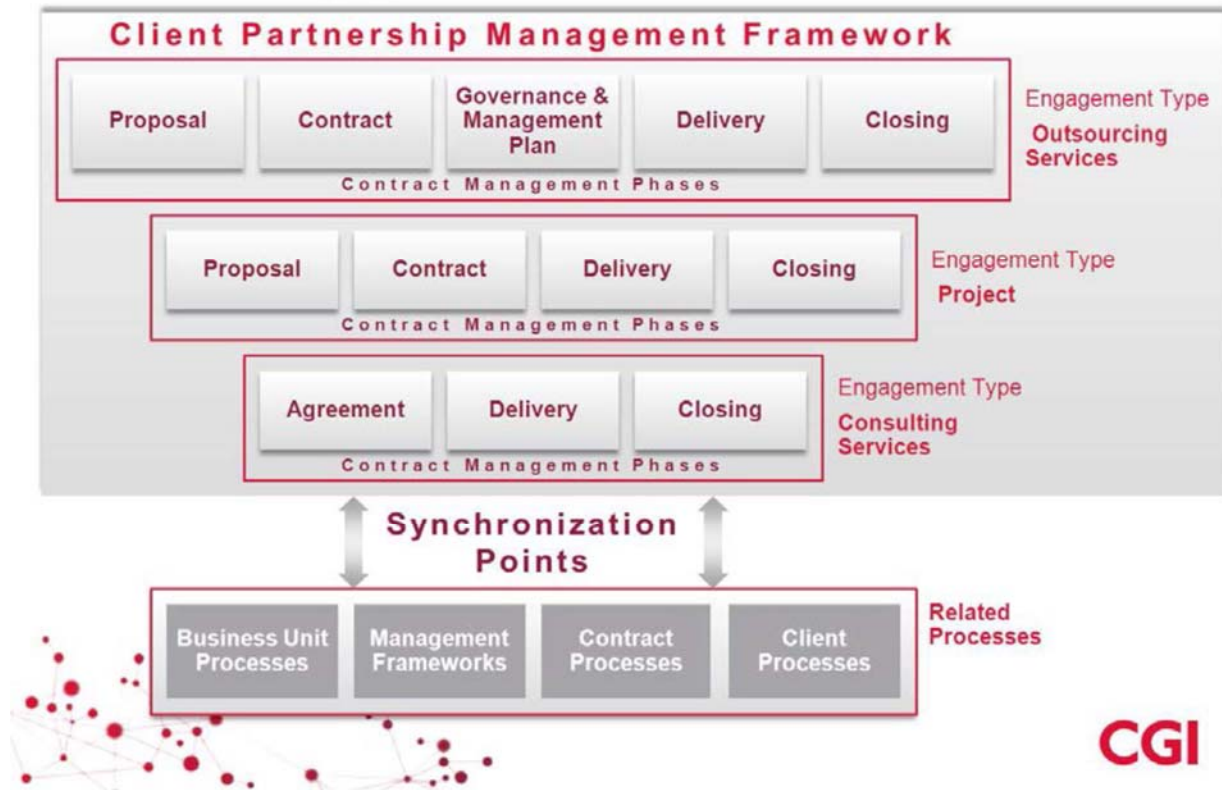
Title: _____

[title of authorized individual]

APPENDIX A

Client Partnership Management Framework (CPMF)

The CPMF is a comprehensive, practice-based methodology that incorporates project management standards, tools, and techniques that have been cultivated and refined on hundreds of CGI projects, including Advantage ERP implementations and other public sector-related projects. The graphic below presents a high-level picture of the CPMF for systems and consulting projects.



CGI has developed this methodology and the associated standards as the foundation for achieving high-quality project results and promoting exceptional productivity within and across teams. It has evolved over years with the successful management of large, mission critical information technology projects. It incorporates CGI best practices and the reflections of CGI's most senior SMEs from across the CGI product and service spectrum. It has also been inspired by and is aligned with some of the industry's best practices concepts and standards (PMI-PMBOK, ISO-12207, ISO-9001, IEEE-1074, and SEI-CMMI) and is structured to best support CGI's approaches to service offerings and delivery.

The CPMF is a carefully managed blend of rigor and flexibility that accomplishes the following:

- Effectively guide CGI management and members through the efficient delivery of CGI services to CGI's clients
- Facilitate cooperation and effective communication among all the contractual stakeholders (CGI management, members, clients and suppliers/subcontractors) by giving them a common frame of reference.

- Provide CGI management teams with a practical, efficient and immediately workable set of processes to support all engagements, from proposal preparation to contractual completion
- Clearly identify the Deliverables and the activities needed to produce them to foster productivity
- Facilitate quality control by making certain that all the relevant aspects are taken into consideration, improving quality of services and by being cognizant of related compliance requirements
- Support the effective synchronization of delivery, management, quality assurance and other related processes
- Assist management's decision-making by formulating the right questions at the right time and by providing pertinent information through an accurate framework of check points
- Provide for improved long-term contract and client satisfaction management
- Describe key differentiators of the approach as it relates to implementing a solution on time, within budget and with the ability to meet the needs of a diverse client like the Participating Municipality.

APPENDIX B

Project Work Plan for Participating Municipality

[insert Project Work Plan]

APPENDIX C

[Insert appropriate table depicting Phase scheduling for Participating Municipality]

APPENDIX D

CGI's professional services hourly rates specified in United States dollars the following table are effective and applicable to all provision of professional services provided by CGI (including any of its subcontractors) under this agreement through September 30, 2021.

Professional Service Category	Hourly Rate
Project Manager	\$260
Deputy Project Manager	\$235
Subject Matter Expert	\$245
Security Lead	\$300
Security Specialist	\$220
Technical Architect	\$245
Technical Lead	\$195
Team Lead	\$195
Senior BA	\$175
BA	\$135
Senior PA	\$175
PA	\$135
Change Management/Communications	\$175
Tester	\$120
Trainer	\$135
System Administrator	\$135
Operations Support	\$135
Technical Writer	\$95
Project Assistant	\$70