Commonwealth of Virginia
Virginia Information Technologies Agency

ENTERPRISE-WIDE WEB BASED LEARNING MANAGEMENT SYSTEM (LMS)

Authorized Users: State agencies, Institutions, and other public bodies as defined in Section 2.2-4301 of the VPPA

Date:	June 14, 2011
Contract #:	VA-040615-MKSI
Contractor:	Meridian KSI 4465 Brookfield Corp Drive Suite 201 Chantilly, VA 20151
FIN:	54-1869274
Contact Person:	Roy Haythorn Phone: 585-214-2450 Fax: 585-272-0054 Email: rhaythorn@meridianski.com
Term:	June 15, 2011 – June 14, 2012
Payment:	Net 30 days

For Additional Information, Please Contact:
Virginia Information Technologies Agency
Supply Chain Management Division

John Tackley
Strategic Sourcing Consultant
Phone: 804-416-6165
Fax: 804-416-6361
E-Mail: john.tackley@vita.virginia.gov

NOTES: Individual Commonwealth of Virginia employees are not authorized to purchase products or services for their personal use from this Contract.

For updates, please visit our Website at http://www.vita.virginia.gov/procurement/procurement.cfm

VIRGINIA INFORMATION TECHNOLOGIES AGENCY (VITA): Prior review and approval by VITA for purchases in excess of $100,000.00 is required for State Agencies and Institutions only.

CONTRACT #VA-040615-MKSI
CONTRACT CHANGE LOG

Change No.	Description of Change	Effective Date
1	Updates VITA's contact information	6/21/05
2	Mod 1 extends the contract term	6/15/06
3	Mod 2 incorporates features and pricing for hosting feature and dedicated server option	3/7/07
4	Mod 3 extends contract and updates pricing structure	6/15/07
5	Mod 4 extends contract term	6/15/08
6	Mod 5 incorporates updated IFA language into the contract terms and conditions	1/20/09
7	Updates Supplier's contact information	1/21/09
8	Mod 6 adds additional products to the contract	2/5/09
9	Mod 7 adds expanded maintenance terms to the contract and extends the contract term	6/15/09
10	Updates Supplier's contact information	2/9/10
11	Updates VITA's contact information	2/18/10
12	Mod 8 extends contract term	6/15/10
13	Mod 9 extends contract term and adds Clause XI "Survival" to the contract.	6/15/11

MODIFICATION #9
TO
CONTRACT NUMBER VA-040615-MKSI
BETWEEN
THE VIRGINIA INFORMATION TECHNOLOGIES AGENCY
AND
MERIDIAN KNOWLEDGE SOLUTIONS, LLC.

This MODIFICATION #9 is an agreement between the **Virginia Information Technologies Agency** (VITA), hereinafter referred to as "State" or "Commonwealth" or "VITA", and **Meridian Knowledge Solutions, LLC** hereinafter referred to as "Contractor" or "MKSI" relating to the modification of the above Contract. This Modification #9 is hereby incorporated into and made part of Contract VA-040615-MKSI, as revised.

The purpose of this Modification # 9 is to modify and extend the term of this Agreement.

The parties agree to the following:

1. The expiration date for Contract VA-040615-MKSI is hereby extended to June 14, 2012.

2. The following clause is added to the agreement:

   XI. Survival:

   Certain provisions of this Contract, specifically Invoicing for Licenses, Maintenance and Hosting, Pricing (Items #7, 14 to 22, 29 and 39 to 67) and the Contractual Terms and Conditions 1 to 6, 8, 11 to 18, 21, 29, 34 to 36 and 43 to 54, shall survive the expiration or termination of this Contract.

The term of this modification #9 shall begin upon execution of the parties.

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040615-MKSI and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED. PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT. ELECTRONIC SIGNATURES WILL BE CONSIDERED AS ORIGINAL SIGNATURES.

MERIDIAN KNOWLEDGE SOLUTIONS

BY: [signature]

NAME: Roy W. Haythorn

TITLE: Exec VP Meridian Operations

DATE: 5/19/2011

Email: RHaythorn@meridianKSI.com

VIRGINIA INFORMATION TECHNOLOGIES AGENCY

BY: [signature]

NAME: PHILIP L. PIPPERT

TITLE: Acting Director, Supply Chain Management

DATE: 6/2/11

MODIFICATION # 8
TO
CONTRACT NUMBER VA-040615-MKSI
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
MERIDIAN KNOWLEDGE SOLUTIONS, LLC.

This MODIFICATION # 8 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Meridian Knowledge Solutions, LLC. hereinafter referred to as "Contractor". This Modification is hereby incorporated into and made an integral part of Contract VA-040615-MKSI (the Agreement).

The purpose of this Modification # 8 is to document both parties' agreement to extend the term of this contract from June 15, 2010 through June 14, 2011.

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040615-MKSI and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

MERIDIAN KNOWLEDGE SOLUTIONS, LLC.	COMMONWEALTH OF VIRGINIA
Roy W Haythorn	
	BY: Doug Crenshaw
NAME: Roy W. Haythorn	NAME: Doug Crenshaw
TITLE: Executive Vice President Meridian Operations	TITLE: VITA Sourcing Manager
DATE: July 7, 2010	DATE: 7/7/10

MODIFICATION #7
TO
CONTRACT NUMBER VA-040615-MKSI
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
MERIDIAN KNOWLEDGE SOLUTIONS, LLC.

This MODIFICATION #7 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and MERIDIAN KNOWLEDGE SOLUTIONS, LLC, hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #7 is hereby incorporated into and made an integral part of Contract VA-040615-MKSI (the Agreement), as modified.

Purpose - The purpose of the specific modifications detailed below is to provide expanded services to the maintenance agreement

Section VII – Pricing; Item 7; Knowledge Centre Software Maintenance is changed as follows:

Delete:

15%; $37,500.00/year

Replacement:

17.8%; $44,500.00/year

Explanation of change:

The purpose of this change is to provide enhancement maintenance support as outlined in sub-section (b) below.

Section X - Contractual Terms and Conditions; Sub-section - Software Maintenance & Support, Number 43, titled Software Maintenance Support is changed as follows:

Delete:

No text to be deleted

Addition:

Enhancement of software maintenance and support

The Meridian Customer Care Center (CCC) will provide a "production support" package that the State can choose to use as they see fit per the guidelines below.

Meridian offers 140 hours of Production Support

This "production support" package made available through the maintenance agreement can be used to address specific kinds of tasks. These tasks, which are generally smaller in nature, do not need quality related process relating to the typical Software Development Life Cycle and can be executed with reduced process rigor.

Some examples of these tasks are:

1. Customization bug fixes, that are outside warranty
2. Simple enhancements, if effort is less than 8 hours
3. Application of a portion of an SPU if not covered under base maintenance as a result of customization if the effort is less than 8 hours
4. Data correction services Meridian has deemed as low risk
5. Modifying emails
6. Other items certified by Meridian

If the Meridian CCC believes that any issue reported would require quality process rigor, it will be reported to the customer who may choose to contact the respective project teams at their discretion. The Meridian CCC will advise the customer when such issues arise.

Limited value: Meridian will provide status reports to the State to indicate the utilization of these hours, as they are used. There will be an administrative cost within this "production support" package for managing issues reported and keeping track of usage. Additional "production support" package purchases are not associated with the standard maintenance agreement and fall outside the scope of this offering. Once Meridian reaches the limit of hours provided, the State has the option to purchase additional "production support" packages at a rate of application developer II, as outlined in the modifications #3. The State has options of purchasing a minimum of 40 labor hours and a maximum of 160 labor hours per package. The customer will have the option of renewing multiple packages as they see fit.

These support hours cannot be rolled over from one annual maintenance period to the next. If some hours are still available for the State as their maintenance term ends, those hours will be lost. If the customer chooses to renew their next maintenance period of performance, Meridian will offer the same quantity of support hours that were originally offered.

For any development tasks under these "production support" hours, Meridian will not provide any warranty period, as the quality processes typically used to support the warranty period will increase cost. The customer can choose to forego using this "production support" package, and employ the services of the project teams, which will better offset quality risks and provide warranty periods on modifications made. There will be a separate level of effort for those services.

Modification #7 also extends the contract from June 15, 2009 through June 14, 2010.

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040615-MKSI and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

IB

MERIDIAN KNOWLEDGE SOLUTIONS, LLC.

BY: Jason Marcean

NAME: JASON MARCEAU

TITLE: Director

DATE: 5/26/09

COMMONWEALTH OF VIRGINIA

BY: [illegible]

NAME: GREGORY H. SCEARCE

TITLE: STRATEGIC SOURCING SPECIALIST

DATE: 5-26-09

MODIFICATION #6
TO
CONTRACT NUMBER VA-040615-MKSI
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
MERIDIAN KNOWLEDGE SOLUTIONS, LLC.

This MODIFICATION #6 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and MERIDIAN KNOWLEDGE SOLUTIONS, LLC., hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #6 is hereby incorporated into and made an integral part of Contract VA-040615-MKSI (the Agreement), as modified.

Modification #6 allows the following items to be added to the contract:

Per User System Fees:

Content Partner	Series/Course	Number of Users	Annual License Fee per User	Annual Total
MindLeaders	Business Skills Courseware Collection	300	$48.70	$14,610
	I/T Skills Courseware Collection	60	$213.47	$12,808.20
SkillSoft	Full Courseware Collection	5,000	$25.00	$125,000
	Books 24/7 BizPro/ITPro/Office	175	$123.00	$21,525
InfoSource	Digital Literacy Collection	300	$25.00	$7,500
Inspired eLearning	Full Courseware Collection	650	$63.15	$41,045
Vivid Learning	Full Courseware Collection	20	$89.00	$1,780
Annual License Fee:				$196,850

Additional Fees:

Web Hosting	All Standard Courses	All Users	N/A	Included
Maintenance Plan	Upgrades of Courses	All Users	N/A	Included
Professional Services- • Bulk AICC Importer implementation to support full set of features offered by SkillSoft • Database upgrades to support AICC • Align content files to agencies/domains to bulk importer This is an estimate based on similar projects and will be lined out in SOW agreed on by COV and Meridian during Content Planning Session	Customization, data import/export			$15,000

Total	$211,580

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040615-MKSI and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

MERIDIAN KNOWLEDGE SOLUTIONS, LLC.	COMMONWEALTH OF VIRGINIA
BY:	BY:
NAME: S. A. CARPENTER	NAME: J. B. Edmonds
TITLE: VICE PRESIDENT	TITLE: Manager
DATE: 01·29·2009.	DATE: 2/5/2009

MODIFICATION # 5
TO
CONTRACT NUMBER VA-040615-MKSI
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
MERIDIAN KNOWLEDGE SOLUTIONS, LLC.

This MODIFICATION # 5 is an Agreement between the Commonwealth of Virginia, hereinafter referred to as "Commonwealth," and MERIDIAN KNOWLEDGE SOLUTIONS, LLC. hereinafter referred to as "Contractor."

Reference Contract VA-040615-MKSI, Page C-21 of C-92, Para 18 entitled "Industrial Funding Adjustment" and Page C-16 of C-92, Para 7 entitled "Modifications".

Both Commonwealth and Contractor do hereby agree to replace the language of Para 18 of the Contract with the following revised language effective as of the date signed by Contractor below.

"Supplier's Report of Sales and Industrial Funding Adjustment
By the 10th day of every month, the Supplier shall submit the "Supplier Monthly Report of Sales". A template showing the format in which the report is to be submitted and contact information for submission is available at http://www.vita.virginia.gov/scm/default.aspx?id=4450 under "Supplier Reporting". The report shall be submitted via electronic mail to the VITA IFA Coordinator and shall report total sales (defined for purposes of this report as all invoiced payments received by Supplier from all Authorized Users) for this Contract during the preceding month. Supplier shall be responsible for submitting the monthly report of sales even if Supplier has had no sales (i.e., a $0.00 total sales value) for the reporting period.

The Supplier shall submit the Industrial Funding Adjustment (IFA) payment for the period covered by such "Supplier Monthly Report of Sales" within thirty (30) days after submitting the "Supplier Monthly Report of Sales". The IFA payment is equal to two percent (2%) of total sales reported during the relevant month.

The IFA payment shall be submitted to VITA, Attention VITA Controller in the form of a check or electronic payment, made payable to the Treasurer of Virginia. The IFA payment shall reference this Contract number, "report amounts", and "report period" and shall be accompanied by a copy of the relevant "Supplier Monthly Report of Sales". Contact information for submission of IFA payments is available at http://www.vita.virginia.gov/scm/default.aspx?id=4450 under "Supplier Reporting".

Failure to comply with reporting, payment and distribution requirements of this section may result in default of the Contract."

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

MERIDIAN KNOWLEDGE SOLUTIONS, LLC.	COMMONWEALTH OF VIRGINIA
BY:	BY:
NAME: S.A. CARPENTER	NAME: Doug Crenshaw
TITLE: VICE PRESIDENT	TITLE: VITA Sourcing mgr.
DATE: 11·10·2008.	DATE: 1/05/09

COMMONWEALTH *of* VIRGINIA

CIO of the Commonwealth
Email: lem.stewart@vita.virginia.gov
Lemuel C. Stewart, Jr.

VIRGINIA INFORMATION TECHNOLOGIES AGENCY
110 S. Seventh Street
Richmond, Virginia 23219
(804) 371-5000

TDD VOICE -TEL. NO.
711

VIA EMAIL

June 2, 2008

TO: Meridian Knowledge Solutions

RE: VA-040615-MKSI Modification #4

Please consider this correspondence your notification of the Commonwealth's intention to renew the above referenced contract, in accordance with the Terms of the agreement, for an additional one (1) year period.

With your agreement indicated by signature below, and upon full execution of this Modification #4, the expiration of the agreement is now extended to June 15, 2009.

Regards,

John Tackley
Supply Chain Management
6/2/2008

Meridian Knowledge Solutions, Inc.

By: _____

Name: Malcolm Patel

Title: Principal

Date: 6/2/08

c: contract file

MODIFICATION #3
TO
CONTRACT NUMBER VA-040615-MKSI
BETWEEN THE
COMMONWEALTH OF VIRGINIA, through the
VIRGINIA INFORMATION TECHNOLOGIES AGENCY
AND
MERIDIAN KNOWLEDGE SOLUTIONS, INC.

This MODIFICATION #3 is an agreement between the Commonwealth of Virginia, through the Virginia Information Technologies Agency, hereinafter referred to as "VITA" or "Commonwealth", and Meridian Knowledge Solutions, Inc., hereinafter referred to as "Contractor", relating to Contract VA-040615-MKSI as amended, hereinafter referred to as the "Contract" or "Agreement". This Modification #3 is hereby incorporated into and made an integral part of the Agreement.

The purpose of Modification #3 is to document the parties' agreement to the following:

> Referencing Section IV of the Contract, "Contract Term", the parties agree that the term shall be extended from June 15, 2007 through June 15, 2008.
>
> Referencing Section X, 36 of the Contract, "Price Escalation/De-Escalation", the parties agree to the new pricing structure, attached here as "VA-040615-MKSI, Mod 3, Attachment 1".

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040615-MKSI. Contract VA-040615-MKSI cannot be modified, except by a writing signed by a duly authorized representative of both parties.

ALL OTHER TERMS AND CONDITIONS OF CONTRACT VA-040615-MKSI REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT MODIFICATION ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

Meridian Knowledge Solutions, Inc.	**Commonwealth of Virginia**
BY:	BY: Dey Crenshaw
NAME: PAUL SOMERVILLE	NAME: Dey Crenshaw

TITLE: CLO

DATE: 5/22/07

TITLE: Strategic Services Mgr

DATE: 5/31/07

MERIDIAN
Knowledge Solutions, Inc.

May 11, 2007

Commonwealth of Virginia
Virginia Information Technologies Agency
110 South 7th Street, Suite L100
Richmond, VA 23219
Attn: Mike Novak

Re: Meridian KSI Labor Rates
Contract Number: VA-040615-MKSI

Dear Mr. Novak:

As provided in section 36 (Price Escalation/De-Escalation) of our current contract with the Commonwealth of Virginia, Meridian Knowledge Solutions would respectfully like to request an increase in our time and materials labor rates. In September, 2006, our GSA Schedule was modified to increase labor rates for all federal government customers and to add or remove some labor categories that better reflect the evolving service offerings Meridian provides to our clients. Meridian also applies these rates to our state and local government clients, as well as commercial sector clients. Our requested increase to bring the Commonwealth of Virginia up to the current rates represents less than a 2% increase over our current contracted rates, and is much less than the CPI-W for Other Goods and Services as stipulated in our contract with the Commonwealth. The chart on the following page shows our past and current rates with the Commonwealth and our proposed new rates which we request to put into effect on June 15, 2007.

We appreciate your attention to this request, and look forward to hearing from you on this matter. Please contact me at bharris@meridianksi.com or 703-322-9565 ext. 111 if you have any questions. If you are unable to reach me, you may also contact Lynne Davis-Gabriel, Program Manager, at ldavis-gabriel@meridianksi.com or 703-322-9565 ext. 124.

Regards,

[Sent via email]

Elizabeth Harris
Executive Vice President

Meridian KSI 2004 (past), 2006 (current) and 2007 (requested) Labor Rates for Direct Labor Services

Labor Category	2004 Hourly Rate	2006 Hourly Rate	2007 Hourly Rate
Administrative Assistant	$39.70	$41.33	$42.08
Application Developer I	$90.71	$94.43	$96.16
Application Developer II	$115.92	$120.67	$122.88
Application Developer III	$142.31	$148.14	$150.86
Computer Systems Analyst I	$50.27	$52.33	$53.30
Computer Systems Analyst II	$72.76	$75.74	$77.14
Computer Systems Analyst III	$108.49	$112.94	$115.01
Configuration Mgt. Specialist	$83.18	$86.59	N/A
Creative Media Director	$83.18	$86.59	N/A
Creative Media Specialist	$59.53	$61.97	$63.11
Graphic Artist	$52.69	$54.85	N/A
Instructional Designer I	$50.27	$52.33	$53.30
Instructional Designer II	$71.45	$74.38	$75.74
Instructional Designer III	$86.00	$89.53	$91.16
Instructional Technologist I	$84.22	$87.67	$89.28
Knowledge Management Consultant I	$73.08	$76.08	$77.47
Knowledge Management Consultant II	$88.19	$91.81	$93.49
Knowledge Management Consultant III	$126.00	$131.17	$133.57
Principle Systems Engineer/Architect	$121.71	$126.70	$129.03
Program Manager	$113.67	$118.33	N/A
Project Manager I	$101.40	$105.56	$107.49
QA/QC Specialist I	$59.53	$61.97	$63.11
Sr. Documentation Specialist	$100.80	$104.93	$106.85
Strategic HR Consultant	$402.68	$419.19	$426.87
Strategic Implementation Consultant I	$163.76	$170.47	$173.60
Web Designer I	$56.70	$59.02	$60.10
Web Designer II	$69.30	$72.14	$73.46
Web Designer III	$81.90	$85.26	$86.82
Web Developer	$79.83	$83.10	N/A
New Labor Categories for 2006:			
Instructional Technologist II		$110.25	$110.25
Instructional Technologist III		$156.45	$156.45
QA/QC Manager		$99.75	N/A
Strategic Implementation Consultant II		$207.90	$207.90
Strategic Implementation Consultant III		$262.50	$262.50

Senior Project Manager		$115.50	N/A
Software Testing Engineer		$94.50	$94.50
Software Trainer		$89.25	$89.25
New Labor Categories for 2007:			
Application Architect I			$132.46
Application Architect II			$151.70
Application Architect III			$170.95
Director I			$154.61
Director II			$173.53
Director III			$208.24
Project Manager II			$120.51
Project Manager III			$144.61
QA/QC Specialist II			$99.75
QA/QC Specialist III			$129.67
SME/Instructor			$133.57
Sr. Quality Analyst			$156.45

MODIFICATION # 2
TO
CONTRACT NUMBER VA-040615-MKSI
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
MERIDIAN KNOWLEDGE SOLUTIONS, INC.

This MODIFICATION #2 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Meridian Knowledge Solutions, Inc., hereinafter referred to as "Contractor" relating to the modification of the above contract. This Modification is hereby incorporated into and made an integral part of Contract VA-040615-MKSI, as modified.

Both of the above referenced parties agree to the following:

Reference: Page C-29 of C-92, Section X Para 36, entitled Price Escalation/De-Escalation, Page C-6 of C-92, Section VII, entitled Pricing and Page C-16 of C-92, Section X Para 7 entitled Modifications:

Both of the above reference parties agree to the feature and pricing request submitted by Elizabeth Harris, Executive V P, Meridian Knowledge Solutions Inc., in a letter dated November 22, 2006, which adds two new features with associated pricing effective June 1, 2007. Pricing for the new hosting feature and dedicated server option, results in a savings to the Commonwealth, and is outlined in this letter which is attached to this modification.

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040615-MKSI and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

Meridian Knowledge Solutions Inc.	COMMONWEALTH OF VIRGINIA
BY: E Harris	BY: [illegible]
NAME: Elizabeth T. Harris	NAME: Doug Crenshaw
TITLE: Principle Meridian Knowledge Solutions, LLC	TITLE: Strategic Sourcing Manager
DATE: March 5, 2007	DATE: 3/7/07

MERIDIAN
Knowledge Solutions, LLC

November 22, 2006

Commonwealth of Virginia
Virginia Information Technologies Agency
110 South 7th Street, Suite L100
Richmond, VA 23219
Attn: Nick Gemelos

Re: Meridian KSI Hosting Calculations
Contract Number: VA-040615-MKSI

Dear Mr. Gemelos:

Due to new offerings in the category of Hosting options, as described in section VII Pricing of our current contract with the Commonwealth of Virginia, Meridian respectfully requests a change in the pricing model for hosting. Currently, the model, which has been in effect since June, 2004, is based on the number of users and frequency of their access. The new proposed model is a much more cost effective option for the Commonwealth in that it provides 1MB of bandwidth dedicated to COVA Knowledge Center for a firm fixed price of $25,000 annually (regardless of number of users). Similar hosting schema is also available for the VDOT Virtual Campus. Additionally, the use of a dedicated server for the Virginia sites would be available at the cost of $9,500 per annum. We would like to make this change effective prior to the commencement of the renewal period, which is June, 2007. The change is listed below:

Meridian Hosting:

Item	Price per annum
Meridian Knowledge Centre Hosting - per 1MB dedicated bandwidth on a shared server; unlimited users	$25,000
Dedicated server option	$9,500

We look forward to hearing from you on this matter. Please contact me at bharris@meridianksi.com or 703-322-9565 ext. 111 if you have any questions. If you are unable to reach me, you may also contact Lynne Davis-Gabriel, Program Manager, at ldavis-gabriel@meridianksi.com or 703-322-9565 ext. 124.

Regards,

[Sent via email]

Elizabeth T. Harris
Partner

Cc: Belchior Mira

Meridian
4465 Brookfield Corporate Drive, Suite 201, Chantilly, VA 20151
(703) 322-9565 ♦ Fax: (703) 322-9568 ♦ http://www.meridianksi.com

MODIFICATION # 1
TO
CONTRACT NUMBER VA-040615-MKSI
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
MERIDIAN KNOWLEDGE SOLUTIONS, INC.

This MODIFICATION #1 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Meridian Knowledge Solutions, Inc., hereinafter referred to as "Contractor" relating to the modification of the above contract. This Modification #1 is hereby incorporated into and made an integral part of Contract VA-040615-MKSI, as modified.

Both of the above referenced parties agree to the following:

Reference: Page C-29, Section X Para 36, entitled Price Escalation/De-Escalation, Page C-6, Section VII, entitled Pricing and Page C-5, Section IV entitled "Contract Term":

The term of Contract VA-040615-MKSI shall be extended from June 15, 2006 through July 14, 2007.

Both of the above reference parties further agree to the pricing request submitted by MKSI for time and material labor rate increases, effective June 15, 2006. A copy of letter requesting price escalation, dated May 22, 2006, by Elizabeth Harris, Executive V P and Labor Rates schedule is attached to this modification.

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040615-MKSI and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

Meridian Knowledge Solutions Inc.	COMMONWEALTH OF VIRGINIA
BY: EJ Harris	BY:
NAME: Elizabeth T. Harris	NAME: J. B. Edmonds
TITLE: Executive Vice President	TITLE: Acquisition Manager
DATE: 5/31/06	DATE: 6/2/06

MERIDIAN
Knowledge Solutions, Inc.

May 22, 2006

Commonwealth of Virginia
Virginia Information Technologies Agency
110 South 7th Street, Suite L100
Richmond, VA 23219
Attn: Nick Gemelos

Re: Meridian KSI Labor Rates
Contract Number: VA-040615-MKSI

Dear Mr. Gemelos:

As provided in section 36 (Price Escalation/De-Escalation) of our current contract with the Commonwealth of Virginia, Meridian KSI would respectfully like to request an increase in our time and materials labor rates. The current rates have been in effect since contract inception in June, 2004. Our proposed rate increase is 4.1% in keeping with the CPI-W for Other Goods and Services our annual rate increases for all non-federal clients. The chart on the following page shows our current rates with the Commonwealth and our proposed new rates which we request to put into effect on June 15, 2006.

We look forward to hearing from you on this matter. Please contact me at bharris@meridianksi.com or 703-322-9565 ext. 111 if you have any questions. If you are unable to reach me, you may also contact Lynne Davis-Gabriel, Program Manager, at ldavis-gabriel@meridianksi.com or 703-322-9565 ext. 124.

Regards,

[Sent via email]

Elizabeth Harris
Executive Vice President

Meridian KSI
4465 Brookfield Corporate Drive, Suite 201, Chantilly, VA 20151
(703) 322-9565 ♦ Fax: (703) 322-9568 ♦ http://www.meridianksi.com

Meridian KSI 2004 and 2006 Labor Rates for Direct Labor Services

Labor Category	2004 Hourly Rate	2006 Hourly Rate
Administrative Assistant	$39.70	$41.33
Application Developer I	$90.71	$94.43
Application Developer II	$115.92	$120.67
Application Developer III	$142.31	$148.14
Computer Systems Analyst I	$50.27	$52.33
Computer Systems Analyst II	$72.76	$75.74
Computer Systems Analyst III	$108.49	$112.94
Configuration Mgt. Specialist	$83.18	$86.59
Creative Media Director	$83.18	$86.59
Creative Media Specialist	$59.53	$61.97
Graphic Artist	$52.69	$54.85
Instructional Designer I	$50.27	$52.33
Instructional Designer II	$71.45	$74.38
Instructional Designer III	$86.00	$89.53
Instructional Technologist I	$84.22	$87.67
Knowledge Management Consultant I	$73.08	$76.08
Knowledge Management Consultant II	$88.19	$91.81
Knowledge Management Consultant III	$126.00	$131.17
Principle Systems Engineer/Architect	$121.71	$126.70
Program Manager	$113.67	$118.33
Project Manager	$101.40	$105.56
QA/QC Specialist	$59.53	$61.97
Sr. Documentation Specialist	$100.80	$104.93
Strategic HR Consultant	$402.68	$419.19
Strategic Implementation Consultant I	$163.76	$170.47
Web Designer I	$56.70	$59.02
Web Designer II	$69.30	$72.14
Web Designer III	$81.90	$85.26
Web Developer	$79.83	$83.10
New Labor Categories for 2006:		
Instructional Technologist II		$110.25
Instructional Technologist III		$156.45
QA/QC Manager		$99.75
Strategic Implementation Consultant II		$207.90
Strategic Implementation Consultant III		$282.50

Meridian KSI
4465 Brookfield Corporate Drive, Suite 201, Chantilly, VA 20151
(703) 322-9565 ♦ Fax: (703) 322-9568 ♦ http://www.meridianksi.com

Senior Project Manager		$115.50
Software Testing Engineer		$94.50
Software Trainer		$89.25

Meridian KSI
4465 Brookfield Corporate Drive, Suite 201, Chantilly, VA 20151
(703) 322-9565 ♦ Fax: (703) 322-9568 ♦ http://www.meridianksi.com

COMMONWEALTH OF VIRGINIA

AND

MERIDIAN KNOWLEDGE SOLUTIONS, INC.

CONTRACT #: VA-040615 - MKSI

Learning Management System

LMS

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Exhibit A: SOFTARTISANS, INC. END USER LICENSE AGREEMENT

I. SCOPE

This Contract establishes the provisions and contractual terms and conditions in which the Commonwealth of Virginia, through its Virginia Information Technologies Agency (VITA), the Information Technology (IT) Contract Owner, hereinafter referred to as the "Commonwealth" or "VITA", 110 South 7th Street, Richmond, VA 23219, will contract with Meridian Knowledge Solutions, Inc. (Meridian KSI), hereinafter referred to as the "Contractor", a Virginia corporation located at 4465 Brookfield Corporate Drive, Suite 201, Chantilly, VA 20151. This Contract is established for the benefit of "Authorized Users" (State Agencies, Institutions and other public bodies as defined in Section 2.2-4301, Code of Virginia, as amended), for the purchase through the Business Owner, the Department of Human Resource Management (DHRM), 101 North 14th Street, Richmond, VA 23219, hereinafter referred to as the "DHRM" of an Enterprise-wide, web-based Learning Management System (LMS) for unlimited users, implementation support and basic branding for the Commonwealth. This Contract is pursuant to the Commonwealth's Request For Proposal #2004-009, dated September 16, 2003 (the "RFP") and the Contractor's proposal, dated December 1, 2003 in response thereto.

This Contract is for the provision of the Meridian Knowledge Centre™ (Knowledge Centre), a very robust Learning Management System (LMS) that offers leading functionality in the areas of Skill and Competency Management, Knowledge Management and Content Management within a single integrated solution. The Knowledge Centre is a web-based Active Server Pages (ASP) application Learning Management System that is standard-based and has an open architecture that is ODBC/JDBC compliant, resulting in easy integration with various systems. The Knowledge Centre can be implemented in a Commonwealth facility or be hosted in the Contractor's data center.

During the initial two (2) year contract period, the LMS will be hosted in the Contractor's data center. The Commonwealth reserves the right to exercise the option to transfer the hosting to VITA at the end of the initial contract period and at each renewal period thereafter.

II. OVERVIEW

This Contract will provide the Commonwealth with a full-service e-learning Partner, to provide a robust learning management infrastructure as well as implementation and development consulting and services.

The Knowledge Centre is provided as a perpetual, single server license with unlimited users.

The Knowledge Centre is a dynamic online learning and knowledge management

infrastructure that integrates courseware delivery, administrative documentation, knowledge mapping, collaboration tools, knowledge capture, and performance management, which is SCORM certified and 508 conformant. The Knowledge Centre is compliant with leading industry standards, allowing the seamless integration of Commercial Off the Shelf (COTS) courseware libraries as well as custom content.

The following services provide a complete solution:

- Front End Analysis
- Instructional Strategy Development
- Competency Modeling and Talent Management
- Performance Support System Development
- Technology Assessments
- Database Integration
- Application Development and Customization
- Courseware Development/Courseware Conversion
- Knowledge Management Consulting
- Corporate University Strategy Consulting
- Learner Evaluation
- Program Implementation
- Cost Benefit Analysis
- Environmental team offering subject matter knowledge
- Converting data from other systems including conversion of other HR systems

The Contractor also offers free environmental and safety courses and learning resources through a public Internet-based knowledge center called the Environmental, Safety, and Occupational Health (ESOH) Knowledge Center (www.esoh.com). This site is entirely operated and maintained by Meridian KSI's Environmental team. The Contractor offers the Commonwealth all non-proprietary content from this site, free of charge. This content includes:

- Five self-paced courses (subjects include Stormwater Management, and Introduction to ESOH)
- Over 3,000 Glossary terms from the U.S. EPA
- Over 2,200 references including EPA regulation and policies
- Over 150 web site links
- Over 200 EPA FAQs

The Contractor will provide the commercial LMS product, the associated competency management module (the Individual Development Plan), and professional services to deploy a comprehensive learning solution capable of integrating various instructional

strategies. The solution will include an integrated learning site capable of delivering and tracking learning opportunities in multiple platforms/media. As an integrated learning program, the site will include competency modeling, skills-gap analysis, and performance management tools. These tools will individualize the learning experience for employees and track proficiency against the stated competencies. The site will also provide related learning opportunities to develop the desired proficiency in these competencies. These learning activities include interactive courseware (delivered in various formats), numerous question and answer interactions, references, simulations, on-line student evaluations to test proficiency, courseware evaluation tools, and threaded discussion areas for information sharing and peer-to-peer collaboration.

III. AUTHORIZED USERS

Authorized Users are defined as all State Agencies, Institutions, and other public bodies including political subdivisions as defined in the Code of Virginia, Section 8.01-385(3)iii, and others as defined herein. The initial set of users will be state agencies. "*State Agencies*" and "*agencies*" refer to a specific subset of the Authorized Users.

There will be eight (8) agencies that have been identified to implement the Meridian KSI Knowledge Centre™ system with others added at a later time.

IV. CONTRACT TERM

This Contract takes effect on the date of its final execution by both parties. The initial Contract "Term" of this Contract will be two (2) years from the date of final execution. The parties, upon mutual agreement, may renew the Contract for up to six (6) additional, successive one (1) year periods. In addition, the parties will enter into negotiations regarding renewal of the Contract approximately ninety (90) days prior to the expiration of the original term or any extension thereof to address the Commonwealth's hosting option.

V. NOTICES/CORRESPONDENCE

Notices/correspondence addressed to the Commonwealth will be sent to the following:

Contract Owner:
Commonwealth of Virginia
Virginia Information Technologies Agency
110 S. 7th Street, Suite L100
Richmond, VA 23219
ATTN: Contract Administrator -
Supply Chain Management

Business Owner:
Commonwealth of Virginia
Department of Human Resource Management
101 N. 14th Street, 12th Floor
Richmond, VA 23219
ATTN: Mr. Belchoir Mira

Notices/correspondence addressed to the Contractor will be sent to the following:

Meridian Knowledge Solutions, Inc.
4465 Brookfield Corporate Drive, Suite 201
Chantilly, VA 20151
ATTN: Ms. Beth Volk, Executive Vice President

VI. INVOICING FOR LICENSES, MAINTENANCE AND HOSTING

The Contractor agrees to invoice the Commonwealth as delineated below and send to:

Commonwealth of Virginia
Department of Human Resource Management (DHRM)
101 N. 14th Street, 12th Floor
Richmond, VA 23219
ATTN: Mr. Belchior Mira

The Department of Human Resource Management will be responsible for payment to the Contractor in accordance with the Commonwealth's Prompt Payment Act.

VII. PRICING

Note: All reimburseable travel expenses allowable under this Contract will be reimbursed at the established Commonwealth rates in effect at that time.

Item #	Description	Price
	Software Products: (initial purchase)	
1	Meridian KSI Knowledge Centre Enterprise License, Version 4.1, unlimited users	$250,000.00
2	Competency Management Suite – included in Knowledge Centre License	No charge
3	Knowledge Centre Baseline Documentation – included in Knowledge Centre License	No charge

Item #	Description	Price
	Services: (initial purchase)	
4.	Implementation Support and Basic Branding Implementation support includes installation on Meridian KSI development servers, configuration, and installation on Commonwealth/hosted (production) servers at a later date if desired. No other modifications. Basic branding includes adding Commonwealth/agency/public body specific logo(s), changing color scheme, modifying GUI (buildings, remaining functions as desired)	$10,000.00
5.	Knowledge Centre Workbook Jumpstart Session. (Two & ½ day (8 hour days) kickoff/workbook session with representatives of Tier 1 agencies on a Commonwealth site w/two (2) Contractor Consultants.) Cost is all inclusive – No additional cost for travel or any other incidential expenses.	$8,000.00
6.	Hands-on Site Administrator Training at a Commonwealth site to include; Train the Trainer, etc. (number of attendees to be mutually agreed upon) (Five (5) days). Reference Section: 1.17, 1.18). Cost is all inclusive – No additional cost for travel or any other incidential expenses.	$12,500.00
7.	Knowledge Centre Software Maintenance – On going maintenance fees will be 15% of the initial unlimited user license fee.	$37,500.00/year

Item #	Description	Price
	Other Software Products: The following products are available during the term of the Contract at the direct labor rates (see below)	
8.	Other modules: (to be determined) (*1) Any previously developed code/modules developed for other public agencies that are not proprietary in nature are available at no charge to the Commonwealth, other than the direct labor to integrate them into the latest version of the Knowledge Centre for the Commonwealth's use and tailored to its business requirements.	Direct Labor Rates
9.	Product Fulfillment System module (*1)	Direct Labor Rates
10.	E-Commerce module (*1)	Direct Labor Rates
11.	Domain Management module (*1)	Direct Labor Rates
12.	Web Services Integration Broker (*1)	Direct Labor Rates
	*1 – Requires integration with base product	
13.	Derivative Knowledge Centre License – price for an additional agency/public body-specific stand alone site – perpetual (one-time fee). To be purchased and paid by the agency/public body	$40,000.00
14.	Derivative Knowledge Centre License Maintenance On going maintenance fees will be 15% of the initial derivative license fee. To be purchased and paid by the agency/public body	$6,000.00/year

	Other Services: The following services are available during the term of the Contract at the direct labor rates (see below)	
15.	Customization, integration and related support (*2)	Direct Labor Rates
16.	Configuration and implementation support (i.e., encryption implementation, etc.) (*2)	Direct Labor Rates
17.	Strategic e-Learning/instructional strategy consulting	Direct Labor Rates
18.	Courseware development (*2)	Direct Labor Rates
19.	Courseware conversion (*2)	Direct Labor Rates
20.	Consulting (*2)	Direct Labor Rates
21.	Marketing and Communication support (*2)	Direct Labor Rates
22.	Knowledge Management Consulting (*2)	
	*2 – If travel is necessary for customization, integration, support services, etc., direct labor rates for such services will begin upon Contractor's arrival at the Commonwealth site and end upon their departure from the site.	

Item #	Description	Price
	Additional Training Options (Refer to Section: 1.18)	
23.	Site Administration: 1 day (two, 3 hour sessions w/ Q&A)	$2,500.00/class
24.	Content/Course Administration: 1 day (two, 3 hour sessions w/ Q&A)	$2,500.00/class
25.	SCORM Courseware Management (LCMS): Beginners: 2 days	$2,500.00/day
26.	SCORM Courseware Management (LCMS): Advanced: 3 days	$2,500.00/day
27.	Super Administrator: 3 days (six, 3 hour sessions w/ Q&A)	$2,500.00/day
28.	Technical Training: Cost depends on audience size	
	Optional Software – Meridian Player (Refer to Section: 5.166.3)	
29.	Single user license	$129.00
30.	500 user license	$15,000.00
31.	2,500 user license	$25,000.00
32.	7,500 user license	$60,000.00
33.	15,000 user license	$90,000.00
34.	25,000 user license	$125,000.00
35.	Enterprise license	$125,000.00 + $3.00 per user over 25,000 users

Item #	Description	Price
	Contractor Hosting, if applicable (Annual Cost): Each agency/public body will provide an estimated quantity for the following three (3) categories prior to start-up. (Refer to Attachment C)	
36.	Category 1 – Full User ≥ 10 logins/year	$3.00
37.	Category 2 – Record only/year (input from administrator/trainer personnel	$ 0.15
38.	Category 3 – Casual User < 10 logins/year	$1.50

LABOR RATES for Direct Labor Services:

If travel to a Commonwealth site is necessary, hourly rates will begin upon arrival at the Commonwealth site and will end upon the departure from the site. Travel expenses will be reimbursed at the established Commonwealth rates at that time.

	Labor Category	Rate			Labor Category	Rate
39.	Program Manager	$113.67		54.	Administrative Assistant	$ 39.70
40.	Project Manager	$101.40		55.	Creative Media Director	$ 83.18
41.	Principle Sys. Engineer/ Architect	$121.71		56.	Graphic Artist	$ 52.69
42.	Computer Sys. Analyst III	$108.49		57.	Web Designer III	$ 81.90
43.	Computer Sys. Analyst II	$ 72.76		58.	Web Designer II	$ 69.30
44.	Computer Sys. Analyst I	$ 50.27		59.	Web Designer I	$ 56.70
45.	Configuration Mgt. Specialist	$ 83.18		60.	Application Developer III	$142.31
46.	Sr. Document Specialist	$100.80		61.	Application Developer II	$115.92
47.	Web Developer	$ 79.83		62.	Application Developer I	$ 90.71
48.	Creative Media Specialist	$ 59.33		63.	Knowledge Management Consultant III	$126.00
49.	Instructional Technologist	$ 84.22		64.	Knowledge Management Consultant II	$ 88.19
50.	Instructional Designer III	$ 86.00		65.	Knowledge Management Consultant I	$ 73.08
51.	Instructional Designer II	$ 71.45		66.	Stragetic Implementation Consultant	$163.76
52.	Instructional Designer I	$ 50.27		67.	Stragetic HR Consultant	$402.68
53.	QA/QC Specialist	$ 59.53				

VIII. CONTRACTOR REPORTING REQUIREMENTS

The Contractor will provide reports as designated in the following items in an electronic format compatible with Microsoft Office products according to the schedules indicated. All reports will become the property of the Commonwealth, e.g., not copyrighted by the provider, subject to FOIA guidelines. In addition to the designated reports, the Contractor will provide additional periodic, ad hoc, or other reports as requested by the Commonwealth. All reports will be presented in both tabular and graphic format unless otherwise approved by the DHRM Administrator on behalf of the Commonwealth or VITA Contract Administrator. The Commonwealth may modify the data collected and required report formats at any time. When the requested report is other than those shown below (except when investigating unusual circumstances such as complete or partial loss of service), the Commonwealth will give at least thirty days notice before the date the report is due. The Contractor will, upon the request of the Commonwealth, provide the Commonwealth with professional interpretation, analysis and explanation of any reports provided. Within two months of award, the Contractor will meet with the DHRM Administrator on behalf of the Commonwealth to determine types of information needed and to set up regular progress meetings, expected to be teleconferences.

A. **Quarterly Contractor Report of Sales**. Refer to Page 20, Section 17.

B. **Quarterly Operations Report**

Quarterly reports based on the calendar year quarter will summarize operations for the contract year with statistical summaries of usage, complaints and problem resolution initiatives, system utilizations, and service performance. The reports will be due to the DHRM Administrator on behalf of the Commonwealth on the 14th of the month following the end of the quarter or next business day following the 14th. (January 14th, April 14th, July 14th and October 14th).

The Contractor will provide to the participating agencies/public bodies a report indicating the different category of users by agency/public body that will be used to determine the Hosting costs for the subsequent year should the Commonwealth elect to retain the Hosting services from the Contractor.

C. **Small Businesses, Minority and Women-owned Businesses Reporting Requirement (SWAM)**

For the purpose of this Contract, a small business is a concern, including its affiliates, which is independently owned and operated, but is not dominant in the field of operation in which it is contracting and can further qualify under the criteria concerning number of employees, average annual receipts, or other criteria, as prescribed by the United States Small Business Administration.

A women-owned business is a concern that is at least 51 percent owned by a woman or women who also control and operate it. In this context, "control" means exercising the power to make policy decisions, and "operate" means being actively involved in the day-to-day management.

A minority-owned business is a concern that is at least 51 percent owned and controlled by one or more socially and economically disadvantaged persons. Such disadvantage may arise from cultural, racial, chronic economic circumstances or background, or other similar cases. Such persons include, but are not limited to, Blacks, Hispanic Americans, Asian Americans, American Indians, Eskimos and Aleuts.

The Contractor will submit to the VITA Contract Administrator, via e-mail, quarterly reports showing actual SWAM-owned business subcontract results. The report will provide a list to include the following:

1. SWAM-owned business subcontractors, the dollar value of each subcontract;
2. A description of the type of work to be performed under each subcontract; and
3. A telephone number and contact name for each subcontractor.

This data is to be broken out **separately** for small businesses, minority-owned businesses and women-owned businesses.

A suggested format is as follows:

FIRM NAME ADDRESS AND PHONE NUMBER	**TYPE GOODS/ SERVICES**	**ACTUAL DOLLARS**	**PLANNED DOLLARS**	**% OF TOTAL CONTRACT**
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Totals for Business Class		_____	_____	_____

IX. MEETING REQUIREMENTS

The Contractor will be required to meet in person or via video or teleconferencing equipment with staff on a weekly basis, or as otherwise requested by the DHRM Administrator on behalf of the Commonwealth. These meetings will include

participation by the Commonwealth and any Contractor's subcontractors or other employees as required to address specific issues.

X. CONTRACTURAL TERMS AND CONDITIONS

1. APPLICABLE LAWS AND COURTS

This Contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Contractor shall comply with all applicable federal, state and local laws, rules and regulations.

2. ANTI-DISCRIMINATION

The Contractor certifies to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and §2.2-4311 of the Virginia Public Procurement Act. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the Contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that Contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (Code of Virginia, § 2.2-4343.1E).

In every Contract over $10,000 the provisions in A. and B. below apply:

A. During the performance of this Contract, the Contractor agrees as follows:

1) The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

2) The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.

3) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.

B. The Contractor will include the provisions of A. above in every subcontract or purchase order over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

3. ETHICS IN PUBLIC CONTRACTING

The Contractor certifies that their proposals was made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Offeror, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

4. IMMIGRATION REFORM AND CONTROL ACT OF 1986

The Contractor certifies that they do not and will not during the performance of this Contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.

5. ANTITRUST

By entering into a Contract, the Contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said Contract.

6. PAYMENT

A. <u>To Prime Contractor</u>:

1. Invoices for items ordered, delivered and accepted shall be submitted by the Contractor directly to the payment address shown on the

purchase order/Contract. All invoices shall show the state Contract number and/or purchase order number; or the federal employer identification number (for proprietorships, partnerships, and corporations).

1) Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.

2) All goods or services provided under this Contract or purchase order, that are to be paid for with public funds, shall be billed by the Contractor at the Contract price, regardless of which public agency is being billed.

3) The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.

4) **Unreasonable Charges**. Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, Contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges that appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the Contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A Contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges that are not in dispute (*Code of Virginia,* § 2.2-4363).

B. <u>To Subcontractors</u>:

1) A Contractor awarded a Contract under this solicitation is hereby obligated:

(a) To pay the subcontractor(s) within seven (7) days of the Contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the Contract; or

(b) To notify the agency and the subcontractor(s), in writing, of the Contractor's intention to withhold payment and the reason.

(c) The Contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the Contract) on all amounts owed by the Contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (b) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier Contractor performing under the primary Contract. A Contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.

7. MODIFICATIONS

This Contract may be modified in accordance with §2.2-4309 of the Code of Virginia. Such modifications may only be made by the representatives authorized to do so. No modification to this Contract shall be effective unless it is in writing and signed by the duly authorized representative of both parties. No term or provision hereof shall be deemed waived and no breach excused unless such waiver or consent to breach is in writing.

8. TAXES

Sales to the Commonwealth of Virginia are exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request, and can be obtained online at http://www.tax.state.va.us/. Deliveries against this Contract shall usually be free of Federal excise and transportation taxes. The Commonwealth's excise tax exemption registration number is 54-73-0076K.

10. TRANSPORTATION AND PACKAGING

The Contractor certifies and warrants that the price offered for FOB destination includes only the actual freight rate costs at the lowest and best rate and is based upon the actual weight of the goods to be shipped. Except as otherwise specified herein, standard commercial packaging, packing and shipping containers shall be used. All shipping

containers shall be legibly marked or labeled on the outside with purchase order number, commodity description, and quantity.

11. INSURANCE

The Contractor certifies that it will have the insurance coverages at the time the Contract is awarded. The Contractor further certifies that it and any subcontractors will maintain these insurance coverages during the entire term of the Contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

INSURANCE COVERAGES AND LIMITS REQUIRED:

A. Worker's Compensation - Statutory requirements and benefits.

B. Employers Liability - $100,000.

C. Commercial General Liability - $500,000 combined single limit. Commercial General Liability is to include Premises/Operations Liability, Products and Completed Operations Coverage, and Independent Contractor's Liability or Owner's and Contractor's Protective Liability. The Commonwealth of Virginia must be named as an additional insured when requiring a Contractor to obtain Commercial General Liability coverage.

D. Automobile Liability - $500,000 - Combined single limit.

12. DRUG-FREE WORKPLACE

During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific Contract awarded to a Contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale,

distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the Contract.

13. NONDISCRIMINATION OF CONTRACTORS

The Contractor shall not be discriminated against in the solicitation or award of this Contract because of race, religion, color, sex, national origin, age, or disability or against faith-based organizations. If the award of this Contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this Contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

14. eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION

The eVA Internet electronic procurement solution, web site portal www.eva.state.va.us, streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies.

All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service, and complete the Ariba Commerce Services Network registration.

Vendors are strongly encouraged to register prior to submitting a bid or offer. Failure to register will result in the bid being found non-responsive and rejected. All vendors must register in both the eVA and the Ariba Commerce Services Network Vendor Registration Systems.

A. eVA Basic Vendor Registration Service: $25 Annual Fee plus a Transaction Fee of 1% per order received. The maximum transaction fee is $500 per order. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, and electronic bidding, as they become available.

B. eVA Premium Vendor Registration Service: $200 Annual Fee plus a Transaction Fee of 1% per order received. The maximum transaction fee is $500 per order. eVA Premium Vendor Registration Service includes all

benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments, and ability to research historical procurement data, as they become available.

C. Ariba Commerce Services Network Registration. The Ariba Commerce Services Network (ACSN) registration is required and provides the tool used to transmit information electronically between state agencies and vendors. There is no additional fee for this service.

15. eVA BUSINESS-TO-GOVERNMENT CONTRACTS

The eVA Internet electronic procurement solution, web site portal www.eva.state.va.us, streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies.

Failure to comply with the requirements in A. and A. below will be just cause for the Commonwealth to terminate this Contract for default.

Vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution and agree to comply with the following:

A. Submit a fully executed American Management Systems, Inc., (AMS) Trading Partner Agreement, a copy of which can be accessed and downloaded from www.eva.state.va.us. AMS is the Commonwealth's service provider to implement and host the eVA e-procurement solution.

B. Provide an electronic catalog (price list) for items awarded under a term contract. The format of this electronic catalog shall conform to the eVA Catalog Interchange Format (CIF) Specification that can be accessed and downloaded from www.eva.state.va.us.

16. NONVISUAL ACCESS TO TECHNOLOGY

All information technology which, pursuant to this Contract, is purchased or upgraded by or for the use of any State agency or institution or political subdivision of the Commonwealth (the “Technology”) shall comply with the following nonvisual access standards from the date of purchase or upgrade until the expiration of this Contract:

(i) effective, interactive control and use of the Technology shall be readily achievable by nonvisual means;

(ii) the Technology equipped for nonvisual access shall be compatible with information technology used by other individuals with whom any blind or visually impaired user of the Technology interacts;

(iii) nonvisual access technology shall be integrated into any networks used to share communications among employees, program participants or the public: and

(iv) the technology for nonvisual access shall have the capability of providing equivalent access by nonvisual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.

Compliance with the foregoing nonvisual access standards shall not be required if the head of the using agency, institution or political subdivision determines that (i) the Technology is not available with nonvisual access because the essential elements of the Technology are visual and (ii) nonvisual equivalence is not available.

Installation of hardware, software, or peripheral devices used for nonvisual access is not required when the Technology is being used exclusively by individuals who are not blind or visually impaired, but applications programs and underlying operating systems (including the format of the data) used for the manipulation and presentation of information shall permit the installation and effective use of nonvisual access software and peripheral devices.

If requested, the Contractor must provide a detailed explanation of how compliance with the foregoing nonvisual access standards is achieved and a validation of concept demonstration.

The requirements of this Paragraph shall be construed to achieve full compliance with the Information Technology Access Act, 2.2-3500 through 2.2-3504 of the Code of Virginia.

17. CONTRACTOR'S REPORT OF SALES

The Contractor must report the quarterly dollar value, in U.S. dollars and rounded to the nearest whole dollar, of all sales under this Contract by calendar quarter; i.e., January through March, April though June, July through September, and October through December. The dollar value of a sale is the price paid by the user for products and services on a Contract order as recorded by the Contractor. The reported Contract sales value must include the Industrial Funding Adjustment, as delineated in paragraph entitled "Industrial Funding Adjustment". The Contractor shall provide this report in hard copy to the Controller, VITA, and a copy of the report to the Contract Officer, VITA, both

within 30 days after the end of each quarterly reporting period as defined herein. The report must show each individual item and quantities purchased and the purchaser. The report is required to be hard copy. VITA may at a later time, agree to an electronic version of the report, however, in lieu of any express agreement by both parties as to the electronic format, the Commonwealth will only accept a hardcopy version. Sale may be defined as; 1) when the Commonwealth pays the purchase price, or 2) when the Commonwealth accepts the Products.

18. INDUSTRIAL FUNDING ADJUSTMENT

The Contractor must pay VITA, an Industrial Funding Adjustment (IFA). The Contractor must remit the IFA within 30 days after the end of each quarterly reporting period as established in the clause entitled "Contractor's Report of Sales". The IFA equals two percent (2%) of the total quarterly sales reported. Contractor shall remit the IFA together with a copy of the Contractor's Report of Sales as delineated in the paragraph herein entitled "Contractor's Report of Sales". The IFA reimburses the Commonwealth and defrays the costs for IT procurement and the administration of the subsequent awards. The IFA amount due must be paid by check with identification of "Contract number", "report amounts", and "report period", on either the check stub or other remittance material. VITA may at its discretion, agree to an electronic funds transfer, in lieu of a check, however in the absence of an express written agreement from VITA that validates agreement, then the payment shall be made by check as described herein made payable to the Controller, VITA.

If the full amount of the IFA is not paid within thirty (30) calendar days after the end of the applicable reporting period, it shall constitute a Contract debt to the Commonwealth of Virginia, and the State may exercise all rights and remedies available under law. Failure to submit sales reports, falsification of sales reports, and or failure to pay the IFA in a timely manner may result in termination or cancellation of this Contract. Willful failure or refusal to furnish the required reports, falsification of sales reports, or failure to make timely payment of the IFA constitutes sufficient cause for terminating this Contract for default.

It is the intent of the Commonwealth to capture 2% of all sales, including temporary reduced pricing, fire sales, one time sales, trade ins, promotional items that have been marked down and all sales to the Commonwealth under this Contract.

19. WARRANTY

The Contractor warrants that for a period of one (1) year after the Effective Date of the Contract (the "Warranty Period"), the Software, when properly used, will operate substantially in accordance with the specifications set forth in this Contract. The

Contractor does not warrant that the Commonwealth's use of the Software will be uninterrupted or error free. If, during the Warranty Period, the Software does not meet this warranty, the Commonwealth may contact the Contractor and the Contractor shall, at its option, either replace the Software or refund the Commonwealth's purchase price. The warranty set forth herein does not apply to any deviation by the Software from the specifications set forth herein that is caused by, or results from, (i) modification of the Software by anyone other than the Contractor; (ii) use of the Software for any purpose other than that authorized by this Contract; (iii) use of the Software in combination with other software, data or products that are defective or incompatiable with, or are not authorized by the Contractor or use with, the Software; (iv) any malfunction of the Commonwealth's software, hardware, computers, or computer-related equipment; (v) Commonwealth's falure to use any Updates made available by the Contractor; or (vi) an event of Force Majeure (an unforeseeable natural or human event beyond the control of the parties to the Contract, rendering performance of the Contract impossible, causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Commonwealth in its sovereign or Contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather). The foregoing warranties are made in lieu of all other warranties, express and implied, including, without limitation, any implied warranties of merchantiability or fitness for a particular purpose, and any warranties arising out of course of dealing or course of performance, except as expressly provided herein, there is no warranty against interference with the Commonwealth's enjoyment of the software or against infringement, the Software is provided "as is" and the Contractor disclaims any warranty as to the quality, operation of, acess to or use of all or any part of the Software and any warranty that (i) the Software will operate uninterrupted or error-free, (ii) the results arising out of the use of the Software will be accurate, complete or error-free, or (iii) the Software will meet the needs of the Commonwealth or its customers.

20. DEFAULT

In case of failure to services in accordance with the Contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the Contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Commonwealth may have.

21. ORDERS

Authorized ordering officials representing the "Authorized Users" of this Contract may request Services from this Contract by contacting DHRM. DHRM will order the Services from this Contract using any of the following Order methods, and the Contractor is required to accept any Order from A, and B, as shown below. The Contractor may also

accept Orders using C:

A. eVA: An order placed through the eVA electronic procurement website portal http://www.eva.state.va.us

B. Purchase Order (PO): An official PO form issued by an Authorized User.

C. Charge/Credit Card:
   1) Any order/payment transaction processed through the Commonwealth's contract with American Express (AMEX). Each Commonwealth Charge Card Order must not exceed $5,000, or the then current charge card limit. Payment will be made by AMEX to Contractor within three (3) business days.
   2) Any other order/payment charge or credit card process, e.g. AMEX, MASTERCARD, or VISA, under contract for use by an Authorized User.

This ordering authority is limited to issuing Orders for Services that are available only under this Contract. Notwithstanding the section herein, entitled Modifications, no Authorized User or other public body of the Commonwealth shall have the authority to modify this Contract.

22. BREACH

The Contractor shall be deemed in breach of this Contract if the Contractor (a) fails to make any Product or Service ready for acceptance testing by the specified delivery date; (b) repeatedly fails to respond to requests for maintenance or other required service within the time limits set forth in this Contract; (c) fails to comply with any other term of this Contract and fails to cure such noncompliance within ten days (or such greater period as is acceptable to the Commonwealth) following Contractor's receipt of a Show Cause Notice identifying such noncompliance; or (d) fails to provide a written response to the Commonwealth's Show Cause Notice within ten days after receiving same.

The Contractor shall not be in breach of this Contract if its default was due to causes beyond the reasonable control of, and occurred without any fault or negligence on the part of, both the Contractor and its subcontractors. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Commonwealth in its sovereign or Contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather (Force Majeure).

In the event of breach, in addition to any other remedies provided by law, the Commonwealth may cancel its obligations with respect to any or all unaccepted Products or Services. All costs for deinstallation and returns shall be borne by the Contractor. In no event shall any failure by the Commonwealth to exercise any remedy available to it be

construed as a waiver of or consent to any breach.

23. NON-APPROPRIATION

All funds for payment of equipment, software or services ordered under this Contract are subject to the availability of legislative appropriation for this purpose. In the event of non-appropriation of funds by the Legislature for the items under this Contract, the Commonwealth will terminate this Contract for those goods or services for which funds have not been appropriated. Written notice will be provided to the Contractor as soon as possible after legislative action is completed.

If any purchases are to be supported by federal funding, and such funding is not made available, the Commonwealth may terminate this Contract for goods or services dependent on such federal funds without further obligation.

24. PATENT/COPYRIGHT PROTECTION

Contractor, at its own expense, shall defend any suit brought against the Commonwealth for the infringement of patents, copyrights or trade secrets enforceable in the United States if the claim of infringement is alleged to relate to or arise from the Contractor's or Commonwealth's use of any equipment, software, materials or information prepared, developed or delivered in connection with performance of this Contract. In such suit, Contractor shall indemnify the Commonwealth, its agents, officers and employees for any loss, liability or expense incurred as a result of such suit.

The Authorized User shall notify the Contractor of such suit within a reasonable time after learning of it and shall give the Contractor the full right and opportunity to conduct the defense of the suit, subject however to the requirements of Section 2.2-510 and Section 2.2-514 of the Code of Virginia or any successor statute. If principles of governmental or public law are involved, the Commonwealth may, at its option and expense, participate in the defense of the suit.

The Contractor shall not be required to indemnify the Commonwealth for liability arising solely out of the Commonwealth's own specifications or design or solely from the combination of equipment or software furnished hereunder with any equipment or software not supplied by the Contractor.

If, any Product or Service becomes, or in the Contractor's opinion, is likely to become, the subject of a claim of infringement, Contractor may, at its option, provide noninfringing substitutes that are satisfactory to the Commonwealth, or at Contractor's option and expense, may obtain the right for the Commonwealth to continue the use of such Product or Service.

If the use of such equipment or software by the Commonwealth is prevented by permanent injunction or by Contractor's failure to procure the right for the Commonwealth to continue using the software, the Contractor agrees to take back the infringing equipment, software, materials or information and refund the total amount the Commonwealth has paid Contractor under this Contract, less one half (1/2%) percent of the total paid for each month of use by the Commonwealth.

25. CONTRACTUAL DISPUTES

In accordance with Section 2.2-4363 of the Code of Virginia, Contractual claims, whether for money or other relief, shall be submitted in writing to the purchasing agency no later than sixty (60) days after final payment; however, written notice of the Contractor's intention to file such claim must be given to such agency at the time of the occurrence or beginning of the work upon which the claim is based. Pendency of claims shall not delay payment of amounts agreed due in the final payment. The purchasing agency shall render a final decision in writing within thirty (30) days after its receipt of the Contractor's written claim.

Prior to invoking a claim, administratively or legal; the Contractor agrees to submit such claim to Alternative Dispute Resolution. The Contractor may not invoke any available administrative procedure under Section 2.2-4365 of the Code of Virginia nor institute legal action prior to receipt of the VITA/SCM Office's decision on the claim, unless that agency fails to render its decision within thirty (30) days. The decision of the VITA/SCM Office shall be final and conclusive unless the Contractor, within six (6) months of the date of the final decision on the claim, invokes appropriate action under Section 2.2-4364, Code of Virginia or the administrative procedure authorized by Section 2.2-4365, Code of Virginia.

In the event of any breach by the Commonwealth; Contractor’s remedies shall be limited to claims for damages and Prompt Payment Act interest, if available and warranted, equitable relief, all such claims to be processed pursuant to this Section. In no event shall Contractor’s remedies include the right to terminate any license or support services hereunder.

26. LIMITATION OF LIABILITY

To the maximum extent permitted by applicable law, the Contractor’s liability under this Contract for loss or damages to government property caused by use of any defective or deficient supplies, products, equipment and/or services delivered under this Contract shall not exceed the greater of $1,000,000 or 2 times the amount of money paid to the Contractor under this Contract during the twelve month period preceding the event or

circumstance giving rise to such liability. The Contractor will not be liable under this Contract for any indirect, incidental, special or consequential damages, or damages from loss of profits, revenue, data or use of the supplies, equipment and/or services delivered under this Contract. The above limitation of liability is per incident. The limitation and exclusion of damages in the foregoing sentences will not apply, however, to liability arising from: (a) personal injury or death; (b) defect or deficiency caused by willful misconduct or negligence on the part of the Contractor; or (c) circumstances where the Contract expressly provides a right to damages, indemnification or reimbursement.

27. PROPRIETARY INFORMATION, DUPLICATION AND DISCLOSURE

The Contractor agrees that all software installed and utilized on Contractor's Assets contains information proprietary to the Commonwealth of Virginia and other third party software vendors and that disclosure of such information could cause irreparable damage to the Commonwealth of Virginia and its citizens. Therefore, Contractor agrees to hold all information and or software disclosed through operation of this Contract in strict confidence, as required by this Section and use such information only in performance of this Contract. No information or software utilized by the Commonwealth while at Contractor's facilities shall be duplicated or furnished to others without the prior written consent of VITA.

Contractor acknowledges that in the course of performing services hereunder its personnel and subcontractors (if any) will have access to confidential information about the Commonwealth's business, operations, employees, customers. Contractor agrees that, except as directed by the Commonwealth, the Contractor, its employees and its subcontractors shall not at any time during or after the term of this Contract (a) disclose any Confidential Information to any third party, (b) permit any third party to examine and/or make copies of any reports, documents or electronic data containing Confidential Information (whether they are prepared by Contractor or come into Contractor's possession or under Contractor's control by reason of Contractor's services) or (c) use any Confidential Information for any reason other than in the performance of services hereunder. Upon termination of this Contract, the Contractor shall return to the Commonwealth or at the Commonwealth's request destroy, all reports, documents, electronic data and other matter in Contractor's possession or under Contractor's control that contain or relate to Confidential Information. Contractor may disclose Confidential Information to such of its personnel as have a need therefore in the performance of their duties for the Commonwealth, provided, however, that Contractor shall inform all such personnel of their confidentiality obligations hereunder and shall use its absolute best efforts to ensure their compliance therewith. Contractor shall not be required to treat as confidential any information which:

(a) contractor can demonstrate was in its possession prior to execution of this Contract

(b) has become generally available in the public domain without breach of this Contract

(c) becomes lawfully available to Contractor from a source other than the Commonwealth

ANY RELEASE OF PROPRIETARY OR CONFIDENTIAL INFORMATION BY THE CONTRACTOR OR CONTRACTOR'S EMPLOYEES SHALL BE CONSIDERED A BREACH OF THIS CONTRACT. THE CONTRACTOR SHALL NOT USE THE CONFIDENTIAL INFORMATION OF THE COMMONWEALTH FOR ITS OWN BENEFIT OR FOR THE BENEFIT OF ANY THIRD PARTY. THE PROVISIONS OF THIS SECTION SHALL SURVIVE ANY TERMINATION OF THIS CONTRACT IN PERPETUITY.

28. CONTRACTOR ACCESS TO COMMONWEALTH LOCATION/S

Commonwealth shall grant to Contractor personnel such access to the Commonwealth location as may be necessary or appropriate for Contractor to perform its obligations under this Contract, subject to all security issues. For any individual Commonwealth location, the Contractor may be required to undergo additional security procedures that may include but not be limited to: records verification, submission of photos and or fingerprints. The Contractor may at any time, for any Commonwealth location, be required to undertake the execution and completion for each individual employee, the requirement of the submission of additional forms that the Commonwealth would consider reasonable for security measures. These forms may include the individual employee's agreement that all Commonwealth information that is garnered while at the Commonwealth site is confidential and proprietary. Any unauthorized release of proprietary information by the Contractor or Contractor's employees shall constitute a breach of this Contract.

29. PRIME CONTRACTOR RESPONSIBILITY

If the Contractor's proposal includes any goods or services to be supplied by another party, the Contractor agrees as follows:

A. The Contractor shall act as prime Contractor for the procurement and maintenance of the entire proposed configuration and shall be the sole point of contact with regard to all obligations under this Contract.

B. The Contractor hereby represents and warrants that the Contractor has made such other party aware of the proposed use and disposition of the other party's product or services, and that such other party has agreed in writing that it has no objection thereto.

30. FINAL ACTUAL INVOLVEMENT REPORT

The Contractor will submit, prior to completion or at completion of the Contract and subject to final payment, a report on the actual dollars spent with small businesses and businesses owned by women and minorities during the performance of the Contract. At a minimum, this report shall include for each firm Contracted with and for each such business class (i.e., small, minority-owned, women-owned) the total actual dollars spent on this Contract, the planned involvement of the firm and business class as specified in the proposal, and the actual percent of the total estimated Contract value.

A suggested format is as follows:

FIRM NAME ADDRESS AND PHONE NUMBER	TYPE GOODS/ SERVICES	ACTUAL DOLLARS	PLANNED DOLLARS	% OF TOTAL CONTRACT
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Totals for Business Class		_____	_____	_____

31. TERM (Refer to Section IV.)

32. INTERPRETATION OF AGREEMENT

As used in this Contract, "software" and "software product" shall include all related materials and documentation, whether in machine-readable or printed form.

This Contract document has been prepared by combining the Request for Proposal, Offeror's proposal and negotiated agreements. Headings are for reference purposes only and shall not be considered in construing this Contract.

Any term or condition of this Contract found to be illegal or unenforceable, will be severed, and the validity of the remaining terms and conditions shall not be affected.

Nothing in this Contract shall be construed as an express or implied waiver of the Commonwealth's sovereign or Eleventh Amendment immunity, or as a pledge of its full faith and credit.

33. AVAILABILITY OF SOFTWARE

The Contractor represents and warrants that all Products were formally announced for marketing purposes before execution of this Contract or, in the case of subsequent Orders, before execution of such Orders.

34. OPERATIONAL RESTRICTIONS

Contractor warrants that, except as specifically agreed in writing all Products may be operated at any time for the convenience of the Commonwealth (exclusive of time required for preventive maintenance, remedial maintenance and approved engineering changes). Without limiting the foregoing, Contractor warrants that there are no restrictions as to consecutive hours or length of personnel shifts. The Commonwealth may make the Products available to any Commonwealth agency or any other users under conditions where such use is supervised by the Commonwealth.

35. CREATION OF INTELLECTUAL PROPERTY

All copyrightable material created pursuant to this Contract shall be considered work made for hire and shall belong exclusively to the Commonwealth. If the whole or any part of such copyrightable material cannot be deemed work made for hire, the Contractor agrees to assign, and does hereby irrevocably assign, the copyright thereto to the Commonwealth, and shall execute and deliver such further documents as the Commonwealth may reasonably request for the purposes of acknowledging or implementing such assignment.

The Contractor warrants that no individual, other than regular employees of the Contractor or Commonwealth working within the scope of their employment, shall participate in the creation of any copyrightable material to be delivered under this Contract, unless such individual and his or her employer, if any, have signed an intellectual property agreement satisfactory to the Commonwealth.

The Commonwealth shall have all rights, title and interest in or to any invention reduced to practice through the performance of this Contract.

The Contractor hereby agrees that, notwithstanding anything else in this Contract, in the event of any breach of this Contract by the Commonwealth, the Contractor's remedy shall not include any right to rescind or otherwise revoke or invalidate the provisions of this Section. Similarly, no termination of the Contract by the Commonwealth shall have the effect of rescinding the provisions of this Section.

36. PRICE ESCALATION/DE-ESCALATION

Price adjustments may be permitted for changes in the Contractor's cost of Services not to exceed the increase of the U.S. Bureau of Labor Statics, Consumer Price Index (CPI-W) "Other Services" being used as a guide. No price increases will be authorized for two (2) years after the effective date of the Contract. Price escalation may be permitted only at the end of this period and each 365 days thereafter and only where verified to the satisfaction of the purchasing office. However, "across the board" price decreases are subject to implementation at any time and shall be immediately conveyed to the Commonwealth.

The Contractor shall give not less than 30 days advance notice of any price increase to the purchasing office. Any approved price changes will be effective only at the beginning of the renewal period of the Contract. The Contractor shall document the amount and proposed effective date of any general change in the price of services. Documentation shall be supplied with the Contractor's request for increase which will: (1) verify that the requested price increase is general in scope and not applicable just to the Commonwealth of Virginia; and (2) verify the amount or percentage of increase which is being passed on to the Contractor as applicable.

The purchasing office will notify the using agencies and Contractor in writing of the effective date of any increase which it approves. However, the Contractor shall fill all orders received prior to the effective date of the price adjustment at the contract prices. The Contractor is further advised that decreases which affect the cost of Services are required to be communicated immediately to the purchasing office.

37. INSTALLATION RESPONSIBILITY (If Commonwealth is hosting)

If at any point the Commonwealth determines it will host the system, the Contractor will complete installation of all Products, including, without limitation, shipping FOB destination, all unpacking, positioning and connection of such Products with internal utility services, ready for acceptance testing. All equipment installations shall comply with building and facilities standards established by the Commonwealth.

38. SITE PREPARATION (If Commonwealth is hosting)

At least thirty (30) days prior to the scheduled delivery date, the Contractor shall provide the Commonwealth with any environmental specifications necessary to ensure the proper and efficient operation of all Products. All such specifications shall be in writing.

The Commonwealth shall prepare the site at its own expense and in accordance with all

such environmental specifications.

Ten days prior to the scheduled delivery date, the Contractor shall, if Contractor deems it necessary, inspect the site and notify the Commonwealth in writing of any environmental inadequacies. In the absence of notification to the contrary, the Commonwealth's environment shall be deemed acceptable to the Contractor.

Any delay or additional site preparation expense caused in whole or in part by erroneous or incomplete environmental specifications shall be the Contractor's responsibility.

39. REQUIRED PERFORMANCE LEVEL

The System will perform in accordance with the technical specifications and functional descriptions, as contained in this Contract.

40. ACCEPTANCE

The initial functionality of the LMS System will be deemed accepted by DHRM on behalf of the Commonwealth. Upon request, the Commonwealth shall provide written confirmation of acceptance.

41. RECORDS

The Commonwealth shall maintain appropriate daily records documenting performance during the acceptance period and such records shall be conclusive for purposes of determining acceptance.

42. ENGINEERING CHANGES

Contractor sponsored modifications and/or engineering changes will be made with the consent of the Commonwealth at no additional charge for a period of one (1) year from the date of installation. The Commonwealth reserves the right at all times to schedule these Contractor sponsored modifications and/or changes to minimize the impact on the daily operations of the Commonwealth.

43. SOFTWARE MAINTENANCE & SUPPORT

Software Maintenance. Subject to payment by the Commonwealth of the applicable annual Maintenance Support Fees, the Contractor will provide the Commonwealth with Maintenance Support for an initial period of one (1) year commencing on the effective contract date, renewable for successive one (1) year periods upon mutul agreement of the parties. See Section 1.11 for details on response times for software maintenance

requirements. Maintenance service shall include, but not necessarily be limited to, detection and correction of errors, updating of all Software to operate with all updated or revised versions of the operating systems for which the Software is licensed, and provision of enhancements to the Software as they are generally made available. Maintenance charges are inclusive and include all travel, labor, and documentation**.**

Software Maintenance Support. The Contractor will provide the Commonwealth any service packs, improvements, enhancements and other updates to the Software (the "Updates") that the Contractor makes generally available to its other customers who have paid a maintenance support fee, including enhancements required to make the Software compatible with the most recent versions of any applicable Third-Party Products. The Contractor will discuss installation of updates to the Commonwealth hosted system (if Commonwealth hosted before any action will be taken). The Commonwealth will be responsible for any labor fees associated with the installation of any Updates (excluding bug fixes in the base product) using Contractor's Direct Labor Service rates. See section 1.13 for further details. Upon receipt of an Update by the Commonwealth, such Update will be deemed to be part of the Software for all purposes of this Contract.

44. MANUALS

Contractor will supply an operations manual for each Product, and in the case of custom-developed deliverables, shall also provide a manual describing the functions, characteristics and operating capabilities that may be expected of such deliverables.

45. LICENSED SOFTWARE

The Contractor represents and warrants that it is the sole owner of the software/firmware product or, if not the owner, has received all proper authorizations from the owner to license the software/firmware product, and has the full right and power to grant the rights contained in this Contract. Contractor further warrants and represents that the software/firmware product is of original development, and that the package and its use will not violate or infringe upon any patent, copyright, trade secret or other property right of any other person.

46. TERM OF LICENSE

All licenses granted under this Contract are purchased on a non-exclusive, irrevocable perpetual license basis and shall commence upon the acceptance of the Software by the Commonwealth. Notwithstanding the foregoing, the Commonwealth may terminate the license at anytime. All licenses granted to the Commonwealth are for the use of the Software at the Commonwealth's computing facilities if hosted by the Commonwealth at a future date. This license is perpetual and in no event shall Contractor's remedies for

any breach of this Contract include the right to terminate any license or support services hereunder.

47. CONFIDENTIALITY

The Commonwealth agrees that when the Software is proprietary to Contractor and has been developed or acquired at Contractor's expense, that it shall hold and use the Software in the same manner as it would deal with its own confidential information. The Commonwealth shall not knowingly divulge, nor knowingly permit any of its employees, agents, or representatives to divulge, any proprietary information with respect to the Software, the technology embodied therein, or any other documentation, models, descriptions, forms, instructions or other proprietary information relating thereto, except as specifically authorized by Contractor, in writing, or as may be required by the laws of the Commonwealth of Virginia.

The Commonwealth shall take all reasonable steps necessary or appropriate to insure compliance with this Section by the Commonwealth's employees, agents and representatives, including copying reproducible legends and markings on all physical components of the Software.

The Commonwealth's obligation under this Section shall terminate three years after the Commonwealth ceases using the Software containing the proprietary information.

48. SOFTWARE UPGRADES

The Commonwealth shall be entitled to receive any and all upgraded versions of the Software that Contractor may make available in the future to include any third party Software provided by the Contractor under this Contract. The maximum charge to the Commonwealth shall not exceed the difference between the price which the Commonwealth paid for the present version, and the lowest price at which the Contractor has sold or licensed the upgraded version. All Software upgrades are available to the Commonwealth at no charge as long as the Software Product is under a maintenance agreement.

49. DISPOSITION OF SOFTWARE

Unless otherwise instructed by the Contractor, the Commonwealth shall erase, destroy or otherwise render unusable the Software within thirty (30) days from the date of the Commonwealth's termination of the license. A letter certifying this destruction shall be sent to the Contractor as soon as this process is completed. The Commonwealth shall have the right to retain one copy of the Software for archival purposes.

50. WARRANTY AGAINST SHUTDOWN DEVICES

Contractor warrants that the LMS System provided under this Contract shall not contain any lock, counter, CPU reference, virus, worm or other device capable of halting operations or erasing or altering data or programs. Contractor further warrants that neither the Contractor, nor its agents, employees nor subcontractors shall insert any such device after execution of this Contract.

51. DISASTER RECOVERY

By executing this Contract, Contractor hereby authorizes the Commonwealth to operate Contractor's licensed software products identified in this Contract at other location(s) for purposes of disaster recovery and disaster recovery testing, if hosted by the Commonwealth. In addition, Contractor recognizes that to prepare for such an event the Commonwealth must test the Contractor's software product (normally for a period of two to three days, twice annually) at a disaster recovery vendor's Cold Site. The use of Contractor's software products by the Commonwealth, at such times and under such events will be in accordance with the terms and conditions of this Contract. Contractor agrees that there shall be no additional charge to the Commonwealth when Contractor's software is used during an actual disaster or for disaster recovery testing.

52. CONTRACTUAL RECORDS

The Contractor shall make all Contractual books and records and other documents relating to matters under this Contract available to the Commonwealth and its designated agents for purposes of audit and examination for a period of three (3) years after final payment.

Contractual records include, but are not limited to, this Contract and all executed Orders, Attachments, modifications, invoices, and correspondence between the parties to this Contract.

53. BUY OUTS - THIRD PARTY ACQUISITION OF CONTRACTOR'S SOFTWARE

Contractor shall promptly notify the VITA Contract Officer in the event that the intellectual property in or business associated with any Product or Service covered by this Contract is acquired from the Contractor by a third party or in the event the Contractor or substantially all of its assets is acquired by a third party.

The terms and conditions of this Contract including but not limited to the license rights and related services shall not be affected in such event identified above even if the

successor or assignee already has an agreement with the Commonwealth covering products and services of the type covered by this Contract. The Contractor's responsibilities under this Contract shall not be released by such acquisition. In addition, prior to any acquisition, Contractor shall obtain for the Commonwealth's benefit the assignee's agreement to fully perform this Contract.

The successor or assignee, by taking any benefit, including acceptance of payment, under this Contract ratifies this Contract.

The failure of any successor or assignee of the Contractor to acknowledge its obligation to adhere to the terms and conditions of this Contract shall constitute a breach of this Contract for which the successor or assignee and the original Contractor shall be liable and subject to debarment.

54. ASSIGNMENT

To the fullest extent permitted by law, the parties agree that Contractor's rights under this Contract are not be assignable, in whole or in part, to any other party without the Commonwealth via VITA's written consent, and that any purported assignment or transfer without such consent will be null and void. The Contractor shall give the VITA Supply Chain Management office prompt written notice of the assignment, signed by authorized representatives of both the Contractor and the assignee.

In the event VITA receives any notice from a third party claiming to be an assignee of any rights of the Contractor under this Contract, the Contractor agrees that payment or other performance in respect of those rights will not be due until at least thirty (30) days after VITA's receipt of the notice required by the above paragraph or receipt of a similarly executed notice confirming the absence or revocation of the purported assignment. The Supply Chain Management Directorate of VITA shall promptly notify the Contractor of any assignment notice it receives.

X. ENTIRE AGREEMENT

This Contract and all attachments/exhibits thereto contain all the terms and conditions agreed upon by the Contractor and the Commonwealth. No oral agreements or representations shall be valid or binding upon VITA, Contract User, or the Contractor unless expressly contained herein or by a written modification to this Contract, which is not in conflict with the terms and conditions of this Contract.

IN WITNESS WHEREOF, the Contractor and the Commonwealth have caused this Contract to be executed, on the dates shown below their respective names.

CONTRACTOR:
Meridian Knowledge Solutions, Inc.

Signature

Name: Elizabeth T. Volk

Title: Executive Vice President

Date: 6/15/04

CONTRACT OWNER:
Commonwealth of Virginia
Virginia Information Technologies Agency

Signature

Name: Lemuel C. Stewart, Jr.

Title: Chief Information Officer

Date: 6-15-04

BUSINESS OWNER:
Commonwealth of Virginia
Department of Human Resource Management

Signature

Name: Sara R. Wilson

Title: Director

Date: June 15, 2004

Attachment A

Learning Management System
Descriptive and Itemized Features

1.0 General Requirements

Project Management

1.1 The Contractor will utilize the following process to implement the software within customer environments:

The Contractor will conduct a phased approach to each Knowledge Centre deployment utilizing a multi-phased approach to developing the Commonwealth's Learning Management System. The following section presents a high level overview of this approach. This ensures that the Commonwealth will see results in the first phase of the project. The actual duration of the initial phase may be approximately three to six months.

The Contractor will begin each implementation process using the Knowledge Centre Implementation Workbook. Part I of the workbook includes writing a mission statement for the Knowledge Centre, identifying specific business processes, objectives, and requirements and defining success against those business rules. Following objective setting, target audience and project stakeholders are identified and characterized. This portion of the workbook conveys and addresses the organizational readiness and cultural issues related to implementing the system and leveraging knowledge management methodologies. Upon completion of the target audience analysis, requirements are captured in an online requirements identification and definition tool to gather and prioritize implementation requirements. The Contractor will work with the Commonwealth agency or public body, leveraging experience from other implementations to identify and prioritize requirements. These requirements include both functional and technical requirements ranging from user interface to business rules. This is also used to identify and prioritize integration requirements (ERP, HRIS, etc.). Upon completing the workbook, the Contractor will work with the Commonwealth agency or public body to establish a project plan that reflects schedule and cost constraints and presents a phased implementation approach. The approach focuses on a rapid implementation to accelerate ROI while also ensuring complete conformance with the technical and functional requirements.

The Contractor will partner with the Commonwealth agency or public body through involvement in design considerations and scheduled reviews of interim deliverables as experience shows that this involvement and interaction ensures the Commonwealth's total control of the end product and flexibility throughout the project. Private Team Rooms and electronic reviews will be utilized to minimize the time required for this involvement. This approach provides additional efficiencies through the use of the Contractor's review forms and related processes. The Contractor will accomplish as much as possible through the use of these tools and informal communications. For example, the Contractor is currently utilizing project team rooms to collaborate with their L3/Integrated Systems client on the implementation of L3 University. In-progress reviews will also be scheduled in conjunction with the delivery of a significant deliverable/product. These in-progress review focus' on project status, identifying best practices and areas for improvement, and discusses the strategic direction of the project.

1.2 The following provides a sample implementation plan and list of major milestones. As a separate document, the initial implementation and each agency/public body implementation will have an implementation plan and list of major milestones.

ID	Task Name	Duration	Start Date	Finish Date
1	**1.0 Project Initiation**	13 days		
2	1.1 Authorize Project	1 day		
3	1.2 Kick-Off Meeting	2 days		
4	**2.0 Develop Project Plan**	8 days		
5	2.1 ID Functional Requirements	1 day		
6	2.2 Review KC Workbook	1 day		
7	2.3 Conduct JumpStart Session	1 day		
8	2.4 Install Evaluation KC for Tech Cert.	1 day		
9	2.4 Initial Project Plan	4 days		
10	**3.0 Phase I Implementation**	30 days		
11	3.1 Stand-up Initial KC	2 days		
12	3.2 Conduct Initial Customization	15 days		
13	3.3 Integrate selected content	5 days		
14	3.4 Third Party Software Integration	2 days		
15	3.5 Internal Testing and Validation	3 days		
16	3.6 Develop User's Guides	3 days		
17	3.7 Conduct WBT Seminar	2 days		
18	**4.0 Develop Pilot Evaluation Plan**	39 days		
19	4.1 Identify Metrics	2 days		
20	4.2 Develop Protocol	5 days		
21	4.3 Establish Pilot Participation	1 day		

22	4.4 Conduct Pilot (optional), duration TBD	30 days		
23	4.5 Findings Report	1 day		
24	**5.0 Develop Full Implementation Plan**	7 days		
25	5.1 Revise Project Plan from Pilot	2 days		
26	5.2 Perform any additional customizations	5 days		
27	**6.0 Site Launch**	8 days		
28	6.1 Marketing/Communications for Launch	5 days		
29	6.2 Install site (if not MKSI hosted)	2 days		
30	6.3 Launch site to all initial users	1 day		

1.3 Orders placed against this Contract must have prior approval by the DHRM Administrator on behalf of the Commonwealth. Any changes to orders or this Contract must be documented by a purchase order (order) change and/or contract modification by the appropriate Contract Officer

The Contractor utilizes several project controls to handle change requests during project execution to ensure that the project remains within budget and on schedule. They include:

1.3.1 Iterative Development Process. The single largest project control we employ is the use of an iterative development process. We have refined this iterative process to ensure client review and approval at each step in the effort, without incurring down time for the development teams. As a result, the Commonwealth maintains strict control of cost and effort while allowing us to optimize resources and provide the greatest value.

1.3.2. Collaborative Partnership. We will work closely with the Commonwealth a collaborative partnership to ensure they become familiar with our process and approaches as well as involving the project team in the design and development process. We facilitate this partnership through the use of several internet tools, including a project review page which includes an HTML version of the project schedule, POCs, deliverables, review / feedback forms, and change management tools.

1.3.3 In addition, we have also developed a tool to assist in change control process. Our online requirements tracking tool, the Requirements Management System (RMS), allows us to manage, support, and document requirements for and changes to reports, web pages, and applications. The RMS is a web-based tool that provides real-time documentation of the request, clearly defines the requirements for any reports, web pages, or applications, documents issues that arise during the development process, and tracks the on-going status of the report, web page, or application.

1.4 To provide the full spectrum of implementation resources, the Contractor will create a staffing plan after carefully reviewing the level of effort to best meet the Commonwealths' requirements. Implementation resources will be as follow:

Program Manager: Ms. Lynne Davis-Gabriel or designee
- Provide management oversight for the client.

Project Manager: Mr. Michael Brennan or designee
- Oversee individual project(s) coordination
- Ensure plan represents project contract requirements

Technical Lead: Mr. David Warner or designee
- Perform overall technical site support
- Design and Program customized features and function to meet business rules
- Design Database Schema and prepare Data Dictionary

Product Implementation Specialist: Ms. Carolyn Godaventarne or designee
- Prepare customized Documentation and Training Material
- Manage Quality Control

Web/Graphic Designer: Ms. Heide Randal or designee
- Prepare customized graphical interface
- Provide design concepts for new functionality

1.5 The Contractor has strategic business partnerships with several content providers and large system integrators. The Contractor is capable of meeting current and anticipated integration requirements using in house resources for this Contract. However, if necessary, the Contractor will use its strategic business partners to augment the project team when/if appropriate.

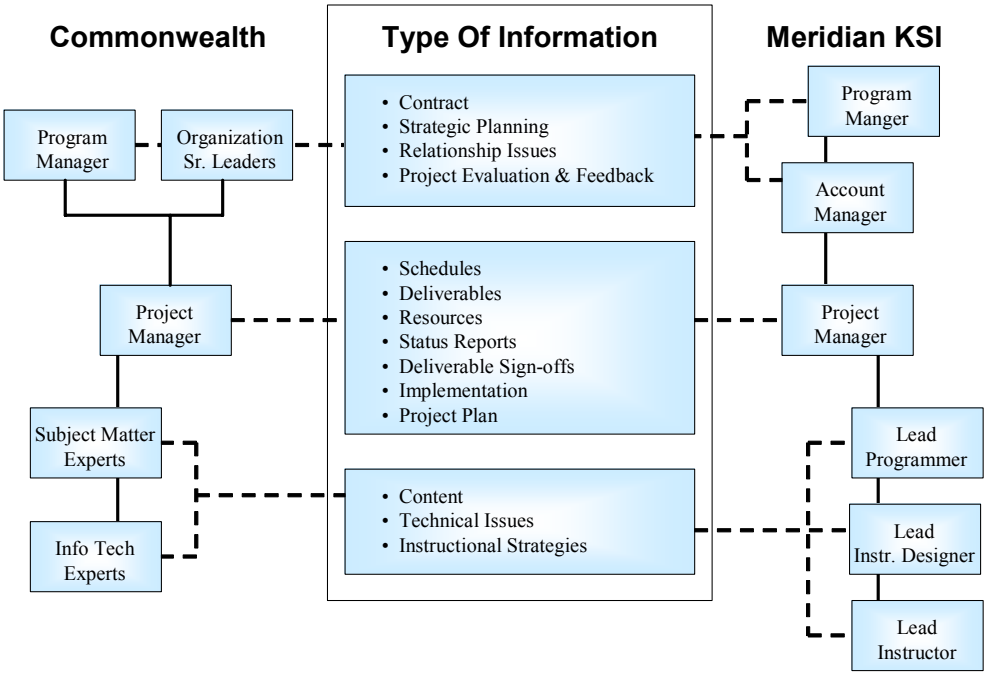
1.6 For implementation resources each Tier 1 Commonwealth agency will provide a core team of individuals including site administrators, training managers, content managers and technical points of contact. The technical points of contact (POC) will address database integration, database management and any associated technical issues in partnership with the Contractor.

Implementation issues and schedule changes will be tracked, communicated and resolved through the DHRM Administrator on behalf of the Commonwealth and appropriate Contract Officer, as necessary. To track, communicate and resolve issues and schedule changes that do not affect requirements of the Contract and/or subsequent purchase/delivery orders, the Contractor will partner with the

Commonwealth agency/public body through involvement in design considerations and scheduled reviews of interim deliverables **as** this involvement and interaction ensures the Commonwealth's total control of the end product and flexibility throughout the project. As stated earlier, online review pages and electronic reviews will be utilized to minimize the time required for this involvement. This approach will provide additional efficiencies through the use of the review forms and related processes. Additionally, the Contractor will use an online requirements tracking tool, the Requirements Management System (RMS), to manage, support, and document requirements for and changes to reports, web pages, and applications. Additionally, the RMS tool will:

- Provide a forum for communicating and tracking information
- Centralize error reports and recommendations for all projects and provide a means of managing them
- Provide a searchable repository of developed functions to increase re-purposing of functionality across projects and reduce duplicate programming efforts.
- Increase efficiency in new development as well as error resolution

1.7 Both parties agree that clear communication is critical to the success of any project. Communication will take place at various levels in order streamline the development effort and ensure the highest quality deliverables. The following diagram depicts a typical project communications model, showing the interface levels by position and responsibility:



1.8 The Contractor will begin by developing an ongoing collaborative partnership with the Commonwealth. One tool to facilitate this collaboration is the Knowledge Centre Functional/Technical Analysis Workbook used during the initial requirements gathering phase, as a tool for collaborative development. Baseline Product Documentation is also available in obtaining more information about the Learning Management System. Although training in available as a formal deliverable, the Contractor's staff is always available to answer questions and to provide strategic or operational advice.

1.9 The Contractor will provide integrating and transferring of data from existing and legacy data sources, including conversion of other Human Resource Systems through the Direct Labor Rates established herein. The initial implementation of Tier 1 agencies will not provide travel reimbursement for the Contractor. For all other implementations, the Contractor anticipates performing the majority of the development/data conversion, etc. at their facilities with minimal/no travel required. Should travel be required and approved by the agency/public body undergoing implementation, the travel reimbursement will be in accordance with the Commonwealth's Travel Regulations in effect at the time.

Support

1.10 Software Maintenance
The Contractor's annual software maintenance agreement provides customers with access to the latest product releases and any associated codes as well as service pack updates.

1.11 The Contractor will provide telephone and email support for up to eight named agency/public body site administrators during normal business hours, 8:00 a.m. to 5:00 p.m. (Eastern Time) under the Software Maintenance fees. This does not include end user telephone support. Expanded times for Contractor administrative technical support are available at an additional cost (to be negotiated when applicable). Site Administrators will contact the Contractor's Project Manager and/or Technical Lead directly.

The Contractor will assign a Program Manager who functions as an account manager while also supervising the project manager responsible for the Commonwealth's implementation. The project team is the primary response and account support team, having detailed knowledge of the implementation and any customization. The Commonwealth will have direct access to its project team at any time during and after the implementation.

Response times and issue resolution will vary with the complexity of the issue. Typically, the Commonwealth will work with the Project Manager to address issues. However, if the Commonwealth's technical team needs to discuss technical details of a problem, the Commonwealth will work directly with the Contractor's technical lead designated for the Contract.

For critical issues (site is down, database down), the Contractor's Project Manager, Technical lead, or designee will respond (via email or phone) within one (1) hour (during normal business hours) to acknowledge the issue and begin ascertaining the issue and extent of any problem and to mutually agree to the resolution.

For non-critical issues, such as a broken graphic, the Project Manager, technical lead or designee will respond with eight (8) hours (during regular business hours, unless otherwise arranged) to ascertain the issue and extent of any problem and to mutually agree to the resolution.

If the Commonwealth does not receive the service desired, the Commonwealth will contact the Program Manager or senior manager to get the issue(s) resolved.

Each issue is assigned a ticket # and a priority, and is routed to the appropriate person for resolution.

1.12 For formal service escalation and problem resolution, the Contractor will assign a Program Manager who functions as an account manager while also supervising the Project Manager responsible for your implementation. The project team is the primary response and account support team, having detailed knowledge of your implementation and any customization. You will have direct access to your project team at any time during and after the implementation. Response times and issue resolution will vary with the complexity of the issue. The Commonwealth will work with the Project Manager to address issues. However, if the Commonwealth technical team needs to discuss technical details of a problem, the Commonwealth will work directly with the Contractor's team technical lead designated for the project. If the Commonwealth does not receive the service desired, contact will be made with the Program Manager or senior manager to get the issue(s) resolved.

1.13 For ongoing software support including software modifications and upgrades, the Contractor will work with the DHRM Administrator on behalf of the Commonwealth to apprise the Commonwealth of new Knowledge Center releases and the functionality they offer by walking through the upgrade and identifying the impact of the upgrade. The Commonwealth has the discretion of which features its wants to implement and controlling how they will be implemented

within the constraints of any customization accomplished in the Commonwealth implementation. After an impact analysis, the Contractor can prepare a Level of Effort estimate and make recommendations for upgrades and modifications subject to direct hourly rates included herein, if applicable.

1.14 The Contractor will provide a quarterly newsletter or other communication vehicle to communicate pending new product releases, outstanding problems, fixes, modifications, improvements and to share best practices among its clients.

The Contractor typically schedules two (2) releases per year. However, compliance to industry standards or government regulations as well as substantial innovations may instigate an out of cycle release.

1.15 The purchase of the optional annual software maintenance agreement provides access to all product service packs and new releases. The Contractor will notify the DHRM Administrator on behalf of the Commonwealth prior to installation on the hosted server. If hosted by the Commonwealth, revisions are to be conducted on the Contractor's development server, then staging server, tested, and then shipped to the Commonwealth's technical POC for implementation on the client environment.

1.16 The Contractor in collaboration with the Commonwealth will customize user interfaces. This customization/modification is accomplished through graphical design that is then image mapped to specific functionality.

Customization may also include adding or deleting "buildings" in the community map, moving functionality between buildings, and adding new visual elements. Many of the database driven elements of the user interface can be modified using the browser-based forms in the administrator console. This includes the ability to add/edit/delete topics, search parameters, and other functions. Using the browser-based administrator console, Administrators can control when and if searches appear for most functions by setting the minimum number of content items before it becomes searchable. If the number of content items is below the customized search threshold, all content is listed when accessing the function. Administrators also have the ability to add, edit, and delete communities of practice (all site content is organized by communities of practice) and other site categories and content options.

Training

1.17 The Contractor will provide a one half day Executive overview session with participating agencies. A two day kickoff/Knowledge Centre Workbook Jumpstart Session with participating agencies up to 30 participants at a Commonwealth site, with two (2) Meridian Consultants.

1.18 The Contractor provides both formal and informal training opportunities for its implementations. The Commonwealth may select up to five (5) days of customized training, chosen from the bulleted list below, tailored to organizational needs on a designated Commonwealth site.

- Site Administrator Training. We use hands-on training in a "lab" environment for Site/content Administrator training, actually integrating your content during the training session. The training is one day on a Commonwealth site
- Content Administration Training. This training is typically one half day, often combined with the site administration training.
- Instructional Design training using Macromedia's Dreamweaver and Meridian KSI's Learning-object approach to courseware development. This training is three to five days.
- Strategic Implementation / Instructional Design seminar is designed to assist HR managers and instructional designers in the implementation of a virtual corporate university and Learning Object based courseware.
- less hands-on, but includes numerous examples and case studies. This training is one to two days.
- Technical support training. This hands-on training is conducted on an as needed basis and typically lasts two days.

1.19 As Tier 2 and later agencies/public bodies integrate into the LMS, one (1), two (2) day site administration session at a Commonwealth site may be purchased as delineated in the pricing schedule.

1.20 The Contractor will provide the following ongoing user learning aids which is a comprehensive suite of documentation for each baseline product released**.** The Commonwealth may duplicate the training materials, guides and system documentation in accordance with this Contract.

The suite includes:

Part 1: Introduction
The Introduction is general information about the site that pertains to all users.

Part 2: Users Guide
The User's Guide is intended for the average end user of the site. It discusses the functionality within the site and describes how users find desired content, take courses, and interact with fellow employees.

Part 3: Content Administrators Guide
The Content Administrators Guide is intended for individuals responsible for content organization, content management, including updates, activity, maintenance and usage. These individuals have access to features that the average end user does not. It discusses specific features that may be accessed by Site and Content Administrators, Managers, and Database Administrators.

Part 4: Site Administrators Guide
The Site Administrators Guide is intended for individuals responsible for site organization, content management, site activity, and employee performance. These individuals have access to features that the average end user does not. It discusses specific features that may be accessed by Site Administrators, Managers, and Database Administrators.

In addition the Contractor will create and maintain an installation guide, data base configuration guides, data dictionaries, and other troubleshooting aids.

The Knowledge Centre also includes comprehensive online help that allows users three ways to find information about functionality in the site: by building, by function, and by keyword.

By building displays an alphabetical list of the buildings. Users can click on a building name to see a description of that building and a list of all the functions contained in that building with descriptions of each.

By function displays an alphabetical list of functions. Users can click on a function name to see a description of that function and its location within the site.

By keyword allows users to do a keyword search for a particular function. Users can type a keyword in the textbox. The function(s) that match(es) user's search are displayed with a description and the function location within the site.

System documentation directly supports the maintainability of Learning and Knowledge Management Systems and provides explanations to the user of the "who", "what", "where", "when", and "how" information is processed within an organization or within the agency as a whole. System documentation provides a

guidebook for the individual who is tasked with maintenance and support of certain routine functions such as scheduling and monitoring of backups, management of user accounts and associated privileges, application software configuration and default settings, network topology, IP addresses, scheduling and monitoring of inter- and intra-computer file transfers, printer queuing control, internet access, modem access, and other system functions. User documentation also provides critical descriptions of system processes and procedures; however, such descriptions are presented from the end-user perspective. User documentation also serves as an extension of the support facility in that end-users can first consult on-line or written documentation to assist in understanding a specific system function prior to contacting the support facility. Such use of the documentation reduces the demand on the support facility to respond to user questions that may be more directly related to training rather than to technical issues.

1.21 The Contractor will provide an online tour, as well as an online course which provides an overview of the base Knowledge Centre product.

2. Technical Requirements

Architecture and System Requirements

2.1 The Meridian KSI Knowledge Centre (Knowledge Centre) is a web-based Active Server Pages (ASP) application that is standard-based and has an open architecture that is ODBC/JDBC compliant. It is easily integrated with various systems, completely extensible and scalable in enterprise implementations and can easily support a large number of users well in excess of 200,000 users. It is an intuitive, easy to use web-based application that is easily managed through web-browser-based forms suitable for use by non-programmers (e.g., SME's, instructional designers, etc.). It supports any operating systems that operate Netscape 4.08 or higher and Internet Explorer 4.0 or higher.

2.2 The Knowledge Centre's architecture and database design does not limit number of users and records, active or inactive.

2.3 For architectural scalability for multiple learner groups a single server license will be purchased and with access rights to control each learner group.

2.4 The Knowledge Centre functions as both an Intranet and Internet application.

2.5 The primary means of access and authentication into the Knowledge Centre is through user id and login. The login screen can be bypassed and integrated with

domain authentication such as LDAP or NTFS authentication, thereby restricting access to the application to only domain or LDAP users.

2.6 The Knowledge Centre is a Packaged Business Application for the web. All interactions with the product (except installation or database maintenance, as needed) take place within a browser session from a client machine.

2.7 Minimum bandwidth requirement is 28.8K modem per user for the Knowledge Centre product. Minimum bandwidth required may increase due to client content selection.

2.8 Recommended bandwidth for the Knowledge Centre per user is 56K. Higher bandwidth may be necessary due to content (streaming media, courseware, etc.); 128K ISDN/DSL/T1 per location preferred.

2.9 Plug-ins are not required for the Knowledge Center.

2.10 The LMS base product does not require additional client software.

2.11 The Knowledge Centre has extensive e-mail functionality that integrates with standard SMTP mail servers.

Technology Standards Supported

2.12 The Knowledge Centre is fully ODBC compliant. Any tool that is OLE compliant has an access to a compliant ODBC driver for the Knowledge Centre's database (SQL Server 7, SQL Server 2000, or Oracle).

2.13 The Knowledge Centre is natively TCP/IP compliant.

System Integration

2.14 Because of the variety of systems with which we have integrated, Meridian KSI has developed general guidelines for working with disparate systems such as financials, HRMS, email, and others. While we do not have a standard set of APIs, we have worked with a wide variety of systems such as SAP, PeopleSoft, and custom HR systems.

2.15 The Knowledge Centre license includes delivery of source code. The Knowledge Centre has the capability to facilitate interfaces with various ERP/legacy systems (via real-time, batch, etc.)

2.16 The Knowledge Centre's robust architecture is open to allow customization to map to client organization business rules. All registrar-related data is exportable to any Microsoft Office application or other ODBC application.

2.17 Data importation can be accomplished through either the web-based administration forms or through the database back-end. Data can be exported directly out of the database.

2.18 The Knowledge Centre may be integrated with almost any standards-based, open architecture, third-party product.

2.19 The Contractor will support any standards-based, open architecture integrations/data conversions. Proprietary systems may require specialized experience and data conversion tools.

2.20 The Contractor's overall methodology includes approaches for developing a strategy for the migration, analyzing the current or source database(s), designing the appropriate 'scripts' (SQL, PL/SQL, 3GL, SQL*Loader files and so forth) for migrating the data to the new or target database, running the scripts against the source database, testing the results of the data migration through the use of an 'expected v. actual' procedure, revising design, implementation or testing procedures based on the migration results, validating the final results of the data migration, and maintaining or updating the data migration as required.

2.21 The Knowledge Centre is natively compatible with standard browsers and with an Intranet or Internet installation.

2.22 The Knowledge Centre has been integrated with the Outlook calendar systems and is capable of being integrated with LotusNotes, and others.

2.23 The Knowledge Centre is capable of being readily integrated with MS Outlook, GroupWise E-mail and of exchanging E-mail with all standard commercial E-mail systems.

2.24 The Knowledge Centre complies with the Commonwealth's standards for servers.

2.25 The Knowledge Centre's architecture is easily and readily integrated with a variety of custom or COTS system.

2.26 The Knowledge Centre's design and architecture facilitates evolution of the system to accommodate future needs.

2.27 he Knowledge Centre allows access via low-bandwidth connections and alternative web-enabled devices.

3. Security and Access Control Requirements

3.1 The Knowledge Centre offers user registration functionality, whereby the user provides basic profile information (name, email address, etc.) as well as a login ID and password. This login and password are required to gain entry to the Knowledge Centre map and buildings. Administrators can control a learner's experience through user groups and associated permissions using the browser-based Administration Console. These permissions may be based on various elements of the user profile, to include employment status, organization (partner/customer), etc.

3.2 The Knowledge Centre application uses an ODBC DSN and associated user name and password to access the database.

3.3 The Contractor can customize, at an hourly rate as stated herein, the application to require authentication via various other means, to include browser authentication (basic or challenge/response), verification against a LDAP directory, or and ERP.

3.4 User identification and authentication is attained by the implementation of a login ID and password, which is designated and only available to the authorized user.

3.5 Via the Knowledge Centre's built-in security and permissions mechanisms, the system retains the integrity of data that is automatically imported through an interface by not allowing end-users to change the data.

3.6 The Knowledge Centre user can access the vast majority of the buildings, functions, and content in the site. Certain administrative functions are restricted from the general user population by default. Access to courses may also be restricted based on organizational requirements or any other profile element or user group.
"Permissions" are the mechanism used to control access to these key functions and courses. Permissions are easily managed through the Site Administration console for authorized users.

3.7 Permissions are assigned to individuals and/or groups. If permission is assigned to a group, every user in that group will be able to access the associated function or course.

3.8 The Knowledge Centre overall security system provides multiple levels of administrative access:

- 3.8.1 Users security levels determined by profile and verified through user ID and password
- 3.8.2 Operates behind Web server security layers
- 3.8.3 Assigns security by organization
- 3.8.4 Content encryption available
- 3.8.5 Features can be enabled or disabled
- 3.8.6 Developer security levels

3.9 The Knowledge Centre natively restricts access to a user ID and password, and performs business logic surrounding length and strength of password, rules for password change, and others.

3.10 The Knowledge Centre has been integrated in many different hosting environments, where security has been implemented across various firewalls, with various levels of access and authorization. The System can be integrated as an Intranet or Internet application.

3.11 The Knowledge Centre is one packaged business application requiring a single login.

3.12 The Knowledge Centre prevents unauthorized registration.

3.13 The Knowledge Centre protects training content, schedules and training resource information from malicious or inadvertent damage.

3.14 The Knowledge Centre restricts user access to the user, their supervisor, and any named administrators.

3.15 The Knowledge Centre uses user and roles-based permissions. All functions within the System are assigned permission levels, and users' permissions are checked before allowing them access to any building or function within the application.

3.16 The Knowledge Centre provides many ways to share LMS content with consultants while protecting the agency network.

3.17 The Knowledge Centre provides the following audit trail for all content items managed through the site:

3.17.1 Data/time first added and name of user who added the content meta data
3.17.2 Date/time last edited and name of user who edited the content meta data

The Contractor has developed a set of coding standards with which all programmers must comply during all phases of development. For programming changes, the Contractor's programmers use code commenting to track changes to files. When developing the application, they have a three-tier development environment: a development environment on their LAN; an external-facing staging environment and their production environment. All developers are standardized on HomeSite version 5, and all projects are set up and use SourceSafe for source control.

Courseware files may be uploaded/edited/deleted at any time using the SCORM content management tools. The audit trail for such changes are on the server and backups are conducted daily such that if a file is accidentally deleted or overwritten by someone, it may be retrieved through the backup.

3.18 The Knowledge Centre uses both user and roles-based permissions. All functions are assigned permission levels, and users' permissions are checked before allowing access to any building or function within the application. The System allows content or site administrators to assign content to be open or closed to various groups.

3.19 The Knowledge Centre provides security at many different levels. First, NTFS file permissions can restrict access to the web site. Secondly, the database requires only application-level access, not a system administrator-level access. Finally, within the application, a user cannot gain access to the Knowledge Centre without a userID and password. Within the Knowledge Centre itself, access to system functions and content is based on roles- and user-based permissions to these functions or content.

3.20 The Contractor has submitted documentation for an Architectural Security Review which has been approved.

3.21 System Acceptance criteria: The Contractor provided Knowledge Centre for TruSecure's certification testing prior to contract signing.

3.22 The Knowledge Centre does not require the collection or user of a Social Security Number as a unique user identifier or key. The system generates a unique user ID or key combination of a users' first and last names and a system-generated numeric code.

3.23 The Knowledge Centre complies with Commonwealth's Information Technology Security standards (COV ITRM Standard SEC2001-01.1).

4. User Interface Requirements

4.1 The user interface meets accessibility standards for persons with disabilities **as** follows:

In accordance with the FAR and further interpretation, as outlined on the Section 508 web site (**www.section508.gov**), "the acquisition of EIT that meets the applicable technical provisions of the Access Board's standards is the shared responsibility of requiring activity officials and contracting officials." Specifically, "*Requiring activity officials"* are responsible for:

4.1.1 Identifying applicable technical provisions of the Access Board's standards in their requirements documents (see FAR 11.002);
4.1.2 conducting market research to identify what products, if any, are available to meet those provisions or whether an exception applies;
4.1.3 drafting specifications; and
4.1.4 documenting non-availability and undue burden determinations."

The Meridian KSI Knowledge Centre has been fully tested with browser readers such as JAWS.

4.2 The Knowledge Centre can expand to meet the needs of any organization. The System can provide different interfaces through the use of derivative licenses, as provided for in the pricing schedule. The System also provides administrative tracking and content filtration by organization through a single license.

4.3 The Knowledge Centre provides the added flexibility of user defined fields. Designated administrators may add optional fields to the User's profile and any course form using a simple browser based tool.

4.4 The Knowledge Centre User login drives the functional aspects of the Meridian KSI Knowledge Centre. From content to administrative functions, functions are controlled by user login. Additionally, access to restricted areas of the site can be granted by site administrators at any point.

4.5 The terminology, including topic names, function names, etc., is completely customizable.

4.6 The Knowledge Centre meets Level A accessibility standards defined by the W3C Web Accessibility Initiative for web based content as adopted by the State of Virginia, ref.: COV ITRM Policy 92-1, http://www.vita.virginia.gov/docs/psg/p92_1.pdf; VIPnet Policy: http://www.virginia.gov/cmsportal/vipnet_987/policy_1112/index.html.

4.7 In supporting multi-lingual capabilities, the Knowledge Centre application itself is English only, and it support**s** content in multiple languages.

4.8 Each registered learner can personalize their individual view of the Knowledge Center called the "Personal KC" and track their progress in courses, keep bookmarks, manage their Individual Development Plan and many other options.

4.9 The Knowledge Centre provide**s** user interface views tailored to the needs of learner**s**, manager**s**, instructor**s**, content author**s** and administrator'**s** perspectives. Access to administrative areas of the site is controlled by user login. Therefore, not all users will see different options. There are four default Permission Groups built into the baseline Knowledge Centre. Permission Groups are associated with special access rights to functions and courseware throughout the site. Any member of that Permissions Group has the access to that group.

Permissions Groups are divided into two types:

- Administration – Only Site Administrators can see and manage these Permission Groups
- Courseware / Organization – Any Site Content Administrator can see and manage these Permission Groups

4.10 Through these administrative functions, views and data access can be restricted and controlled.

4.11 The LMS Strategic Committee, to be determined, will provide the general business rules and look, plus navigation. This still allows for agency/public body specific logos, different color schemes, etc.

5. Functional Requirements

General Functional Requirements

5.1 The Knowledge Centre provides a dynamic online learning and knowledge management infrastructure that integrates courseware delivery, administrative documentation, knowledge mapping, collaboration tools, knowledge capture, and

performance management.

The Knowledge Centre is built entirely upon a relational database for capturing and accessing information and knowledge. The Contractor provides for the centralization of content, administration, and queries provide significant time and cost savings. This includes the fully integrated competency management suite; the Individual Development Plan. As such, the system provides a central source for learning to the extended enterprise, including partners, customers and suppliers.

5.2 The Contractor provides an enterprise learning management system to identify, capture and codify various organizational learning resources into discrete knowledge objects that are easily applied in various learning interventions. This full learning management solution provides a central repository and the tools necessary to leverage those knowledge objects through various presentation approaches. The Knowledge Centre provides this capability as a seamless enterprise learning management solution.

As a central repository for learning, the Knowledge Centre supports multiple delivery methods. Classroom-based and online courses may be administered through the Course Management functionality. Course administrators are able to create classes and sections, assign instructors, and manage classroom capacity through Course Management.

Using Seminar Creator, an authoring system, authors can create content in a Microsoft PowerPoint presentation that is then uploaded to the site and converted to HTML. The course presentation is enhanced with the addition of question and scenario interactions and the ability to link content in the site (references, glossary terms, etc.) to the course. All content input and uploading are accomplished through web-based forms.

5.3 The Knowledge Centre is completely customizable and includes tools to add flexible user-defined fields for the User and Course profile information.

5.4 The Knowledge Centre supports multiple domains, allowing each agency/public body to establish a uniquely branded site and control its contents for their internal employee groups. The multiple domains can share a single user database and central content repository, minimizing the total cost of ownership.

The look, branding, and interface can be completely customized to support the diverse needs of each agency/public body. The Contractor can create a completely unique campus for different subgroups within the Commonwealth.

This approach provides the Commonwealth with maximum flexibility to meet agency/public body specific needs, yet the ability to share a uniquely branded site, content and infrastructure with other agencies/public bodies.

The Individual Development Plan tool also supports business unit learning within the development plan by mapping competency models, competencies, and skills to roles/job profiles. These roles/job profiles typically include business unit. The IDP also allows the individual and supervisors to identify "local" competencies further tailoring the IDP to address business unit learning at any level in the organization.

5.5 The software application places virtually no limitations on the number of custom or unique fields. The administrator has the ability to configure some existing fields using the browser-based administration console. Additional field customization may be accomplished through the DBMS back office tools and customization of the application files. The participating agencies will determine the need for additional customized fields during the Jump Start session and implementation.

5.6 The Knowledge Centre provides automatic checking for resource schedule conflicts, including all facilities, equipment and instructors. When administrators establish learning events and assign an instructor and location, both the instructor and facility availability are checked. If there is a conflict with the instructor, dates, or the location, then the administrator must select a new resource.

5.7 The Knowledge Centre is capable of creating and maintaining detailed instructor information including credentials, contact information and scheduling information by administrators through the Instructor Management tool. Instructor certifications can be entered as local competencies through the Individual Development Plan. Administrators can review credentials and assign instructors to specific courses through Instructor Management, which can map instructors to courses and classes and supports the association of subject matter experts with specific courses and topics.

5.8 The Site Administrator enters information about both internal and external facilities into the Knowledge Centre. Information about the location of the facilities as well as equipment contained within the facilities is then available for viewing through the Facilities function.

5.9 Resources including the instructor and facility are associated with a class by the administrator in Course Management. Existing reports can be customized to

display all costs associated with a particular course as well as the number of attendees for each section in order to forecast resource requirements.

5.10 The Contractor will provide an e-commerce engine that allows agencies/public bodies to purchase access to online courses through Commonwealths Knowledge Center. In addition, various third party credit card authorization and payment services, such as that offered by Verisign (formerly Cybercash) can be integrated into the Knowledge Centre to allow automatic credit card processing and payment.

5.11 The Contractor will provide the Commonwealth the capability of tracking the budget and related costs associated with training activities.

5.12 The Contractor will provide internal and external chargeback capability between agencies/public bodies within the Commonwealth which may require customization.

5.13 The Knowledge Centre allows users to search and sort results by asset type (course, FAQ, Reference, etc.) as well as by peer ratings submitted on references.

5.14 The Knowledge Centre support**s** the import of existing training information for display on the student transcript and associated roll up reports.

5.15 Instructors may use online tools to manage attendance for any external (classroom) training, which is managed through the Knowledge Centre. For other training, such as seminars or conferences, users can create a Learning Event (using an online form). The event is then automatically added to the Student Transcript.

5.16 E-mail notifications are inherent in the Knowledge Centre. E-mails are utilized upon initial registration and to refresh a forgotten password. When a Site administrator updates a user's profile or organizational association, an automatic e-mail is sent to the user with notification that their profile has been updated. Course enrollment relies on e-mails for course management including classroom course changes, user enrollment, waitlist enrollment, and course and user cancellations. Course instructors also manage their classes through browser-based forms that allow them to send an e-mail to the entire class, e-mail an individual student, post notes and assignments, and post student grades and attendance.

5.17 The Knowledge Centre support**s** multiple sites from a single database.

5.18 The Knowledge Centre allows facility availability to be viewed remotely via the Internet by accessing the online Facility Calendar in the Reports Console function of the Administration Building.

5.19 The Knowledge Centre has the capability to generate a checklist of materials and tasks.

5.20 The Knowledge Centre allows Site Administrators to update equipment information for facilities to designate equipment resources as "out of circulations" for repairs and upgrades.

Registration/Tracking Capability

5.21 The Knowledge Centre provides various types of user registration to include self-service, manager/mentor/administrator, and call center. Users can self-enroll through the centralized course catalog or through their IDP. Manager, administrators, and call center personnel may register students in courses using the batch enrollment tools as needed.

5.22 The Knowledge Centre handles the following registration activities: wait list students, reserve students, withdrawal students, cancel students and register multiple learners and automatic waitlist features.

5.23 Within the Learning Center, the Waitlist function allows the user to be placed on a waitlist when the enrollment capacity of a classroom course section has reached its maximum. This feature-allows the user to:

5.23.1. Be waitlisted in multiple sections

5.23.2 Be automatically enrolled from a waitlist in one section (if the capacity increases or if another user cancels their enrollment)

5.23.3 Have waitlisted enrollments cancelled if the user enrolls in another section of the same course

5.23.4 Enroll in another section of the same course if the end date of a section the user enrolled in is over

5.23.5 Be sent an email from the course owner when:

- The user is waitlisted
- The user is automatically enrolled in a section from the waitlist

5.23.6 Be automatically enrolled in a section on a first come, first served basis. Space can become available if:

- another user cancels enrollment
- the owner increases the capacity in the course

5.24 If a student withdraws from an instructor led course, the next student on the waitlist automatically receives the open seat and a notification email (if using the automatic wait listing option for classroom courses). Additionally, an instructor has the option to change the status of a student's progress in a course, which is reflected in real time on the student's transcript. Email notification can be sent to the student, the student's manager, or any other email designee.

The same process is used for student withdrawals. When a user changes their status in a classroom course, an email is sent. This includes when a user cancels their enrollment in a course section.

5.25 Courses may be restricted based on department, job role, and profile. The function is available through the course management tools after a course is created. Course permissions may be changed at any time after the Course has been created.

5.26 Authorized administrators may set up certain courses to require approval prior to enrollment using the Course Access Approval tools. When the user reviews information about the course for an online or classroom course that requires enrollment approval, the user must request access to take the course. The authorized administrator can grant course access, deny access, or deny access with an explanation for the denial. In any case, the user and his/her direct Manager receive email notification of the authorization action.

5.27 Courses can be set up in the Knowledge Centre for a specified group. Once the course has been established, then the administrator can set permissions so that only the specified group has access to the course.

5.28 The Knowledge Centre allows the site administration to enable and automate variability in cancellation policy across an organization and/or a customer base based on the client's business rules.

5.29 The Knowledge Centre will support an alternate notification process when the learner does not have an e-mail address.

5.30 Course administrators can create and manage curriculums through the curriculum management tools. Using this function, users with permissions can create, edit, hide, and activate curriculums.

5.31 The Meridian KSI Knowledge Centre supports attachments for several file formats, which can be linked to course in several ways:

5.31.1 As links through the Courseware Toolbar based on any content item in the site, but especially useful for linking Glossary, References, and other related course content. References and Glossary items can be associated with specific Learning Objects (LO) so that users can access applicable references from within the courseware, without having to go into the Library and conduct a search.

5.31.2 As Notes and Assignments for class-specific supplemental information. This link presents a form for entering course information that users view through the Notes and Assignments function. Notes can include any important information the instructor wants to share with the students, such as additional information about course content.

5.31.3 As Pre or Post-Test activities, including tests given at the course level. The test is comprised of one Test Option from every LO in that course. A Test Option is one or more questions associated with an LO. Instructors and faculty members can create a randomized test where multiple Test Options are created for one LO (only one of which is asked per test). If there is only one Test Option, the same question(s) will be asked from the LO each time the test is taken. The same question can exist in multiple Test Options.

5.31.4 By establishing a Team Room in the Teaming Center to create a virtual collaboration area for a course, allowing instructors to upload documents and presentations as well as synchronous and asynchronous collaboration.

5.32 Files of various formats, executables, downloadable files, and web addresses can be linked through the content forms.

5.33 Learners can request enrollment in an unscheduled session of an existing course so that such requests can be used to assist in class session planning, resource allocation, etc. through the user feedback and email links within the Knowledge Centre.

5.34 The Knowledge Centre allows Course administrators the capability to set up and modify both instructor-led and on-line courses in Course Management.

5.35 The Knowledge Centre provides a comprehensive learning solution capable of integrating various instructional strategies. As an integrated learning program, the site includes competency modeling, skills-gap analysis, and performance management tools that are organized by job title. The Individual Development Plan (IDP) provides a learner with a skills gap analysis resulting in a roadmap for skill acquisition and prioritization. It also serves as documentation of skills

acquired through the courses taken and maps the student to available learning activities aligned with specific competencies, including regulatory required training.

5.36 The Knowledge Centre allows training requirements to be adjusted by position or "job profile".

5.37 The Knowledge Centre support**s** batch enrollment by administrators through the Faculty Lounge.

5.38 The Knowledge Centre allows course administrators to create and manage curriculums through the curriculum management tools. Using this function, users (with permissions) can create, edit, hide, and activate curriculums. Administrators can establish linear (forcing pre-requisites within the curriculum) or non-linear (students have flexibility in the order of courses taken) curriculums. Curriculums can consist of online, classroom, and/or blended courses. Permission to view or begin a curriculum can be granted to individuals or to groups. Curriculums can also be linked to the Individual Development Plan (IDP), linked into a Team Room, or found through the Research Assistant, and can be added to a user's Personal KC.

5.39 The Knowledge Centre enables Administrators to add, edit, and schedule ILT classes through the Course Management tools.

5.40 The Knowledge Centre checks classroom-scheduling conflicts when the Administrator creates a learning event.

5.41 The Knowledge Centre provides the capability to ensure that students do not schedule themselves for more than one class at a time.

5.42 The Knowledge Centre allows students to view and register for both classroom-based and online courses from the Learning Center.

5.43 The Knowledge Centre provide**s** group registration capabilities using the Batch Enrollment function, **as** administrators may enroll several participants at once.

5.44 The Knowledge Centre provides automated notification for confirmations, certifications, cancellations, reminders, and class changes to all affected parties.

5.45 The Knowledge Centre automatically assigns/updates registration status.

5.46 The Knowledge Centre will allow site administrators to enforce registration cut-off time/date with the ability to override with minimal customization.

5.47 The Knowledge Centre enables both internal and external customers to register online for courses.

5.48 The Knowledge Centre has the capability of accepting payment of fees online.

5.49 The Knowledge Centre will support a two-level online registration approval process with minimal customization.

5.50 The Knowledge Centre allows site administrators and students to view waitlist status through the Learning Center.

5.51 The Knowledge Centre allows site administrators to manage instructor assignments and facilities, which includes classrooms, lodging facilities, resources, and equipment through Course Management.

5.52 The Knowledge Centre does not limit the number of organizational hierarchical groups, jobs, learning groups, project teams, etc.

5.53 The Knowledge Centre allows the site administrator to assign courses by organizational hierarchical group, job titles, groups, or departments.

5.54 The Knowledge Centre allows site administrators to designate courses as mandatory or elective.

5.55 The Knowledge Centre does not permit duplicate registrations.

5.56 The Knowledge Centre enables instructors to record and manage attendance through Class Schedule and Administration.

5.57 The Knowledge Centre allows administrators to manage class rosters and limit user registration by creating Curriculums in Course Management and establishing prerequisites for the curriculum.

5.58 The Knowledge Centre will allow administrators to override registration requirements when necessary with minimal customizations.

5.59 The Knowledge Centre allows the administrator to manage sites from multiple locations.

5.60 The Knowledge Centre allows administrators to flag courses, records and other content as inactive or active.

5.61 The Knowledge Centre allows site administrators to set enrollment limits when course sections are created in Course Management.

5.62 The Knowledge Centre allows instructors the permission to access the Class Schedule and Administration function and ability to update attendance and completion data for students.

5.63 The Knowledge Centre allows managers and administrators to register learners as needed.

5.64 The Knowledge Centre has the capability for groups of learners to be enrolled in curriculums or "programs" that are established by administrators in Course Management.

5.65 The Knowledge Centre allows administrators to restrict access to courses (including restricting knowledge of a course) by setting restricted permissions for a course or a curriculum.

5.66 The Knowledge Centre will provide a means whereby manager notification of course registration can be enabled/disabled depending on whether a course is on a prescribed learning path and/or there is no chargeback involved with minimal customizations.

5.67 The Knowledge Centre will provide authentication of learner registration and cost center for chargeback purposes with minimal customizations.

5.68 The Knowledge Centre allows learners to view their registration status from the Personal KC or through the Learning Center at any time.

5.69 The Knowledge Centre displays course costs with course descriptions in the Learning Center. When setting up a course, training administrators can track the cost(s) associated with the course. Additional data fields may be created in order to track other costs associated with delivering courses.

5.70 The Knowledge Centre has the capability to reserve class seats for specific types of clients/customers.

5.71 The Knowledge Centre provides an Automatic Waitlist function and sends email notification to the student upon enrollment.

5.72 The Knowledge Centre provides a means by which notifications can be configured for "low enrollment" and "class full" information to facilitate enrollment management.

5.73 The Knowledge Centre provides a means for specifying and enforcing minimum and maximum class size limits.

5.74 The Knowledge Centre enable**s** learners to access the Knowledge Centre and review their own transcripts as well as their Individual Development Plans.

5.75 The Knowledge Centre provides details and requirements for each class from the description in the Learning Center.

5.76 The Knowledge Centre provides links to learning activities through the Individual Development Plan. Learning activities can be linked at the competency model, competency, and skill levels. Selecting these links launches the learning activity. Learning activities can be any content item in the site, not just courseware.

5.77 The Knowledge Centre supports off line registrations through the use of the administrator's Batch Enrollment tools.

Reporting Capability Functional Requirements

5.78 Reporting environment and associated reporting philosophy:

The Knowledge Centre provides several web-based reporting tools to track site and course usage, learner progress (at the individual and organizational level), and course and general survey statistics. The following briefly describes these reporting tools:

5.78.1 The learner's transcript functions as an individual report of progress and achievement. The integrated transcript lists enrollment and completion status in classroom and online courses, tracks user added learning events (to record learning activities taken outside the domain of the organization), and provides access to certificates of completion. The transcript is available to the learner and administrators, which may include the learner's direct supervisor.

5.78.2 Administrator Records allows the administrator to see the training and performance records of all site users and view course usage and other information, including all the users that have taken the course, individual start and completion dates, and pre- and post-test scores.

This helps agencies/public bodies manage and monitor the individual progress and achievements of its students and report on performance within a course.

5.78.3 Organizational Records allows an administrator to see the training and performance record of site users within a specific organization and view course usage and other statistical information, including all the users that have taken the course within the selected organization, individual start and completion dates, and pre- and post-test scores. This helps agencies/public bodies manage and monitor the individual progress and achievements of its students and report on performance within a course.

5.79 The Knowledge Centre will ship with over 50 standard built-in real-time reports, including various reports related to:

- Student Transcript Reports
- Training Reports
- Manager Reports
- System Administrator Reports
- Site Usage Reports
- Content Reports
- Organization Reports
- Survey Results
- Competency and Skills Gap Reports
- Resource Utilization and Scheduling Reports
- Site Utilization Reports

The Knowledge Centre also includes a number of reports to view aggregate information at the course level, by organization and sub-organization that include: course survey reports, survey reports, site usage reports, courseware usage reports, and organizational reports using the browser-based report management tools.

5.80 The Knowledge Centre does not come with a report writer. All inherent reports are part of the application. The system is an ODBC compliant application and can easily be integrated with most third party tools for customized reporting. The Contractor will provide the source code and data dictionaries of the Knowledge Centre that will facilitate ease of reporting. Administrators can use any ODBC compliant third-party report tools such as Business Objects or Crystal Reports to create ad hoc reports.

5.81 Most reports are available in HTML (Active Server Pages generated report) and many of the reports are exportable to Microsoft Excel. Reports can also be

viewed on-line and printed.

5.82 The Knowledge Centre allows the creation of modified versions of pre-defined reports.

5.83 The Knowledge Centre provides the capability for reports to be automatically generated and "pushed" or "published" to the user, manager, or administrator.

5.84 The Knowledge Centre has the capability to generate analytical reports based on any data element captured within the system. The agency/public body administrator can customize several reports to include course survey reports, site usage reports, courseware usage reports, and organizational reports using the browser-based report management tools. Additionally, administrators can use third-party report tools including Business Objects or Crystal Reports to create ad hoc reports.

5.85 The Knowledge Centre provides a means for reports (whether standard or modified with reporting tools by system administrators) to be made available on-line in a secure manner.

e-Learning Capability Functional Requirements

5.86 The Knowledge Centre (system) is a dynamic online learning and knowledge management infrastructure that integrates courseware delivery, administrative documentation, knowledge mapping, collaboration tools, survey and evaluation tools, knowledge capture, and performance management. The system is compliant with leading industry standards (SCORM conformant and Section 508 compliant) and allows the seamless integration of COTS courseware libraries as well as custom content. The Knowledge Centre has proven scalability in enterprise implementations and can easily support the potentially large number of users as the implementation is expanded.

The system is an *Integrated Learning Community* that offers:

5.86.1 A centralized, single point of entry to all corporate online learning resources and knowledge sharing systems.

5.86.2 Access to registration and management of off-line (traditional classroom-based) learning opportunities.

5.86.3 Administration, reporting and tracking of certification training

5.86.4 Collaborative learning and communication tools including mentoring and coaching capabilities.

5.86.5 Tools for skills needs analysis and personal development plans.

5.86.6 Courseware delivery and management.

5.86.7 Fast and easy integration with existing courseware.

5.86.8 Course and student management and record keeping.

5.86.9 Tracking of non-traditional events through the User Added Learning Events functions (OJT, reading assignments, seminars, conferences, job aids, etc.).

5.86.10 Custom curriculum development.

5.86.11 Collaborative learning and communication tools.

5.86.12 Full and complete interface with existing database applications (including skills assessment, resume tracking, and human resource information systems).

5.86.13 Web-based learning community.

5.86.14 Browser-based content management.

5.87 The Knowledge Centre facilitates course planning (based on historical demand statistics, learner interests and preferences by identifying and prioritizing skills gaps.

5.88 The Knowledge Centre allows browser-based accessibility from any computer with Internet/intranet access to the site (and proper user access rights) for:

5.88.1 Making Courses Open and/or Visible - All Courses in the site can be made either Open (or closed) and Visible (or Not Visible) by configuring course permissions to selected users/groups. Visibility of a course refers to who in the site can see a course regardless of its availability status. For example, it may be desirable to make a course visible to all site users (so that they can see the course offerings) but restrict the ability to take that course to an individual or user group.

5.88.2 Granting Permissions for closed courses - Content Administrators can grant Course Permissions to groups or individuals to allow them to see course information even if they are restricted from enrolling or taking the course online.

5.88.3 Hiding and Activating Courses - each Course Content form provides the function for hiding, and activating course content in the site. As with other content in the site, Courses are never deleted. They are "hidden" – disassociated with the site – so that users can no longer see it. Hidden courses can be "activated" – re-associated with the site – at any time so it's again available to users. These capabilities are accessed under the View Active Content and View Inactive Content buttons on the Administer Site Content Menu.

5.88.4 Searching for Courses to Edit - The function Search Courses allows you to search for and edit course information and associated content. The enhanced Search capability in the Research Assistant allows the capability of:

- Sort search results by asset type (course, FAQ, Reference, etc.)

- Sort search results by peer rating with highest scored items at top of results listing

5.88.5 Emailing Students - An Instructor can send an email to all of the students enrolled in a section to communicate important information such as location change, schedule change, alerts about related course events, or anything that affects all enrolled users.

5.88.6 Managing Class Rosters - The Class Roster is a list of all students currently enrolled in a section, listed alphabetically. From the Roster, an Instructor can:

- Access additional information about a user
- Send an email to individual students
- Mark attendance for individual students
- Enter individual student's scores
- Mark individual student's course status (i.e., incomplete, pass, fail)

5.89 The Knowledge Centre includes a standard approach to indexing the assets, using the Sharable Content Object Reference Model (SCORM) to ensure interoperability with the widest selection of content possible. For self-paced online courseware, the system supports SCORM conformant courseware, storing the individual content objects/assets. As a result courseware developers can quickly assemble new course offerings using the existing content objects. The system is SCORM-*certified* at the highest level (LMS-RTE3), for all required and optional elements. The Contractor is an active participant in the ADL Co-lab and the ADL initiative. Further, the Air Force Institute for Advanced Distributed Learning (the Air Force representatives to the ADL Co-lab) contracted with Meridian KSI for both their LMS and SCORM conformant courseware conversion services.

5.90 The Knowledge Centre successfully integrates with course content from third-party vendors such as NETg, SkillSoft, Mindleaders, and many others. The system is interoperable with any SCORM conformant content library.

5.91 The Knowledge Centre supports courses developed in many authoring tools such as ToolBook, Authorware, and Dreamweaver, etc. that produce web-enabled content.

5.92 The Knowledge Centre includes a Seminar Creator, an authoring tool that allows authorized users and Subject Matter Experts to rapidly develop short courses based on existing instructional materials. The browser based tool allows the user

to create the course and add it to the course catalog, create a course introduction, add references, glossary items, and several templated interactions. The tool also allows the user to upload a MS PowerPoint file for inclusion in the course. Using server side functionality, the *.ppt file is published in HTML with a consistent navigation and presentation. The Contractor recommends using this tool to allow subject matter experts to quickly develop and disseminate information across the enterprise and to augment more traditional authoring tools. The system is also capable of authoring and delivering tests, surveys, and course evaluations.

5.93 The Knowledge Centre's Teaming Center provides the ability to create virtual workspace for blended learning teams. Instructors can establish a team room for the class, limiting access to only class participants. Within the Team Room the instructor can post reference materials, assignments, handouts, and other course materials. The Team Room also allows the instructor to create links to online courseware available through the course catalog. All of the courseware tracking and student records functions are available to the instructor when they courseware is accessed through the Team Room.

Instructors may also have the students upload class assignments and homework to the Team Room. As a result, the assignments are available for peer review as well as review from the instructor. The Team Room also includes a team calendar tool for scheduling events and assignments, a bulletin board, and chat room, all of which are restricted to class participants. The Team Room also includes email management and communications tools for the entire class and instructor.

5.94 The Knowledge Centre allows "bookmarking" by using SCORM. As students exit a course their last location is saved for the next time they return to the course. If the student wishes, they may return to that "bookmarked" page upon return or simply enter the course at a different location. Bookmarks are saved in the user's "Personal KC."

5.95 The Knowledge Centre's Teaming Center also allows users to establish a private team room and then "invite" other users to participate in the team room. The team room includes threaded discussion, synchronous chat rooms, document sharing, presentation posting and a team calendar tool.

5.96 The Contractor also integrates with various third party tools for application sharing, whiteboarding, net-meetings, etc.

Curriculum Management Capability

5.97 All Courses offered through the single catalog can be made either *Open* (or *Closed*) and *Visible* (or *Not Visible*) to all or selected users of the site. The Open status refers to course availability. By making a course open you are making it available to any user of the site. You can also make a course restricted "closed" to certain groups or individuals. This restriction then requires that you configure course permissions so that the course appears *only* to the selected users/groups. Visibility of a course refers to who in the site can see a course regardless of its availability status. For example, it may be desirable to make a course visible to all site users (so that they can see the course offerings) but restrict the ability to take that course to an individual or user group.

5.98 There are no restrictions on the delivery method for items listed within the course catalog?

5.99 The Knowledge Centre provides the capability to manage traditional classroom course offerings. Because classroom courses often consist of multiple offerings, or sessions, the capability to manage sessions also exists within the Knowledge Centre. Course information includes course title, description/syllabus, keywords, cost, provider, course owner, course access rights, course survey, and other optional user defined fields.

5.100 Faculty members and Site Content Administrators can also manage classroom sections with the functionality which includes the ability to: create, add, edit, and delete classroom sections; assign instructors to those sections; designate a time period for the class; indicate a location/room for the class; perform conflict resolution and manage resources; create and manage the capacity and waitlist for that class; and other related classroom administrative activities.

5.101 The Class Schedule and Administration area is accessible to course instructors, and administrators of the site from the Administration Building. This area allows instructors to manage their course sections. Generally, instructors see only their assigned sections whereas Administrators have the option to see and manage all sections. Within each class section, the instructor can manage their section roster. This allows instructors to access additional information about a user, send email to individual students, mark attendance, enter student's scores, and mark individual student's course status (e.g., incomplete, pass, fail). Class rosters are updated in real time showing immediate enrollment, cancellation, and wait-list status changes. Other functions within the Class Schedule and Administration area enable instructors to email enrolled users, grant course credit, and create and update notes and assignments (available to users in the notes and assignments area of the Knowledge Centre).

5.102 The Knowledge Centre provides users with a hierarchy of scheduled course offerings with each course having the ability to support multiple session offerings. The Knowledge Centre allows the ability to vary the schedule, instructor, and location for each session offering. There are numerous options for non-contiguous class offerings such as M-W-F, TU-TH, etc. The system allows the modularization of the course into multiple sessions or courses.

5.103 The Knowledge Centre allows Course and Section Rosters to be maintained in the User Management area of the Administration Building. Course and Section Rosters allow course administrators, instructors and other system administrators to update learners in the event that a completed course is updated. The email functionality in the Course section allows mass and individual email capabilities to notify if course information/content has been updated. In the event an online course is updated, the system enables administrators the ability to run reports on individuals who have taken online courses and identify those individuals who may need to be updated if course content material has changed.

5.104 The Knowledge Centre's learning content management features allow authorized users to rapidly publish and maintain courses using existing learning objects. This browser-based interface allows users to manage course information, passing test score thresholds, course cost information, access rights, prerequisites, pre- and post-tests, and the course critique. The tool also allows users to add existing lessons, create new lessons, add or modify existing learning objects, and manage related course materials such as references and glossary items. The tool provides full browser-based interface to assemble and sequence learning objects into lessons and lessons into courses and manage all associated course attributes. The use of learning objects also allows the learner to access course materials in a non-linear fashion. Through queries, the learner can access a particular piece of courseware or related material on demand at the learning objective level. The result more closely resembles a performance support tool or Electronic Performance Support System (EPSS) than a traditional linear course offering. This allows users to access relevant components of courseware (on an as-needed basis), even after completing a course.

5.105 The Knowledge Centre allows Instructors or administrators to access the course reports to view class waitlists, rosters, etc. to determine previous demands for course planning (historical demand statistics, learner interests and preferences).

5.106 The Master Schedule will allow holidays, vacation, and non working days to be designated with minimal customization.

5.107 The Knowledge Centre supports the creation, deployment and tracking of blended learning curricula, including ILT, synchronous, asynchronous, knowledge documents, etc.

5.108 The Knowledge Centre supports a number of learning approaches, leveraging traditional classroom, online learning, and combining them to deliver blended learning. The Teaming Center provides the ability to create virtual workspace for blended learning teams. Instructors can establish a team room for the class, limiting access to only class participants. Within the Team Room the instructor can post reference materials, assignments, handouts, and other course materials. The Team Room also allows the instructor to create links to online courseware available through the course catalogue. All of the courseware tracking and student records functions are available to the instructor when they courseware is accessed through the Team Room.

5.109 The Knowledge Centre allows instructors to request students to upload class assignments and homework to the Team Room. As a result, the assignments are available for peer review as well as review from the instructor. The Team Room also includes a team calendar tool for scheduling events and assignments, a bulletin board, and chat room, all of which are restricted to class participants. The Team Room also includes email management and communications tools for the entire class and instructor:

5.109.1 Through Integrated Blended Learning option when establishing a Classroom Course
5.109.2 Option to establish a related Team Room for course collaboration and blending online learning assets (Self-paced courseware, FAQs, BBS, Chat Room, References, etc.)
5.109.3 Establish a course calendar in the course team room for scheduling assignment due dates, meetings, key events and scheduled collaboration
5.109.4 Automatic membership in course team room upon course enrollment

5.110 The Knowledge Centre provides the ability to set prerequisites through the curriculum function.

5.111 The Knowledge Centre provides the ability to facilitate the creation and tracking of training plans through the Individual Development Plan module.

5.112 The Knowledge Centre provides a single course catalogue that can accommodate all delivery methods including ILT, CBT, printed materials, WBT, etc.

5.113 The Knowledge Centre supports the administration of courses and classes performed remotely via the web.

5.114 The Knowledge Centre supports template-based curriculum management.

5.115 The Knowledge Centre provides a means by which indicators for "New" or "Changed" courses can be automatically removed after a specified period of time.

5.116 The Knowledge Centre provides the tools to maintain course abstracts, outlines, descriptions, and other related information.

5.117 The Knowledge Centre supports course equivalencies as a method of providing learners with choices for alternate learning content.

5.118 Through the Section management console, the Knowledge Centre provides the capability for multiple sessions of the same course to be scheduled, and tracked, for the same day.

5.119 The Knowledge Centre supports Advanced Distributed Learning (ADL) Sharable Content Object Reference Model, SCORM 1.2 standards or above, for deployment and tracking of distributed learning content.

5.120 The Knowledge Centre facilitates the creation of customizable curricula for individuals and groups.

5.121 The Knowledge Centre supports the allocation of instructor and classrooms when a Course Session (Class) is setup.

5.122 The Knowledge Centre is capable of displaying on-line links to course materials (documentation, prerequisite structures, tests/assessments, glossaries, etc.) and notification.

Performance Management Capability Functional Requirements

5.123 The Knowledge Centre provides a comprehensive learning solution capable of integrating various instructional strategies. As an integrated learning program, the system includes competency modeling, skills-gap analysis, and performance management tools. These tools individualize the learning experience for users and track proficiency against stated competencies. The system provides related learning opportunities to develop the desired proficiency in these competencies. The Individual Development Plan (IDP) module provides a learner with a skills

gap analysis resulting in a roadmap for skill acquisition and prioritization. It also serves as documentation of skills acquired through the courses taken and maps the student to available learning activities aligned with specific competencies, including regulatory required training. These learning activities may include interactive courseware (delivered in various formats), numerous question and answer interactions, references, simulations, on-line student evaluations to test proficiency, courseware evaluation tools, and threaded discussion areas for information sharing and peer-to-peer collaboration. The competency management tools include a full 360 skills assessment, coaching abilities, IDP management for coaches and managers, and an administrative console for managing core competencies at the organization level.

5.124 The Contractor supports a competency modeling applications through the Competency Management Suite provided within the system. This component allows for 360 degree skills assessment, skills gap analysis, recommended learning activities and coaching abilities management of core competencies at the corporate level; and performance reports that show organizational and individual proficiency data. The Training Needs Analysis report enables managers to review aggregate proficiency scores for selected competencies and determine the most critical training needs within an organization.

The Knowledge Centre can also import external competency models and allows managers and performance coaches to link skills to any Knowledge Centre learning activity (courseware, reference, job aids, books, etc.). The IDP will reflect organization business rules and processes, including the addition of your competency models and roles/job profiles.

Skills/Competency Management Capability Functional Requirements:

5.125 The Knowledge Centre's Competency Management Suite provides tools to individualize the learning experience for employees and track proficiency against the stated competencies. It allows administrators to create job profiles and then associate learning models, competencies, skills, and learning activities with the profiles. Once the user is assigned a job profile (usually upon site registration), their IDP is automatically generated based on the profile. If a user's job profile changes, their original IDP is archived and a new IDP generated based on their new profile.

The employee's supervisor can help manage employee education, skills, and competencies by running reports on student progress, viewing results of skills assessments, etc. Organizational managers can view roll up reports.

5.126 As a comprehensive learning tool, the Knowledge Centre tracks various forms of learner information. These include:

5.126.1 *Individual Development Plan* which provides a forward looking roadmap for performance improvement as well as documentation of required learning

5.126.2 *Student Transcript* which provides a comprehensive user training record including all courses, completion dates, and test scores.

5.126.3 *PeerNet which provides* a searchable repository of users who have chosen to make their expertise available to other users. It advocates tacit knowledge sharing (i.e., know-how, mental models) by encouraging people to locate one another, regardless of their division or where they are working, by expertise or interests and to build their personal networks.

5.127 The Individual Development Plan (IDP) has two primary parts: the Core IDP and the Local IDP. Individuals with the same job title, function or role have the same Core IDP elements. The Core IDP may be defined by the client according to specific job/roles, etc, and may contain one or more competency models.

The Local IDP is specific to the user. The Performance Coach and user work together to identify Local IDP learning requirements that reflect additional/unique aspects of the user's position or career goals.

5.128 The Performance Coach decides who, besides the learner, will complete an assessment. Both the Manager and some of the learner's peers may be selected by the Coach to complete surveys to assess the learner's proficiency in various competencies. Based on the results of the surveys and the skills gap analysis the Coach may select courses to add to the learner's IDP in order to improve performance.

5.129 The Individual Development Plan can be used to enhance skills and education by first assessing the learner's skill level. Once the learner and their manager have completed the skills surveys, then the Performance Coach can make recommendations for courses, workshops, or other educational means to improve the learner's performance in a specified area.

5.130 The Knowledge Centre allows Course Administrators to create and manage curriculums through the curriculum management tools. Using this function, administrators can create, edit, hide, and activate curriculums. Administrators can establish linear (forcing pre-requisites within the curriculum) or non-linear (students have flexibility in the order of courses taken) curriculums. Curriculums

can consist of online, classroom, and/or blended courses. Permission to view or begin a curriculum can be granted to individuals or to groups. Curriculums can also be linked to the Individual Development Plan (IDP), linked into a Team Room, or found through the Research Assistant, and can be added to a user's Personal KC.

5.131 Every aspect of the Knowledge Centre is focused on improving individual, collective, and organizational performance. It is not focused on one particular model of adult education, rather, the system supports various models of adult learning. The systems tools facilitate approaches such as blended learning, self-paced learning, Kirkpatrick evaluation factors, 360 skills assessments – all to improve performance at the individual and organizational level.

5.132 The Knowledge Centre provides the necessary platform to capture and share knowledge from across your extended enterprise. Knowledge sharing is accomplished in several ways, not just with courseware. These include on-demand access to learning objects, searchable reference library, Frequently Asked Questions, and numerous collaboration areas. The result is reduced cycle times for product development, time to market, and the rapid promulgation of best practices.

5.133 Changes to a user's personal profile in the Learning Management System.

5.134 The Contractor has considerable experience integrating enterprise-wide database systems. For example; PeopleSoft and other HRIS integrations, to include setting up recurring data feeds for student profile information from PeopleSoft (thus replacing the inherent registration process inherent in the system) and transferring student training data to/from the HRM system. We can easily export user profile information back into your HRM system.

5.135 Hierarchical structure of employee profiles:

The Knowledge Centre allows coaches/supervisors to have the ability to view and edit the IDPs of all the employees that they mentor. Additionally, organizational managers can review the standard Performance Management Reports in the system in order to see organizational-level as well as individual reports for employees.

5.136 The Knowledge Centre provides Learners the access to all of the information in their IDP. Learners are able to view their Core IDP module and competencies that have been established by the Performance Coach as well as assessment scores and the resulting skills gap analysis scores.

5.137 The IDP supports multiple learning paths in that curriculums may be created and linked to the IDP. Course administrators can create and manage curriculums through the curriculum management tools. Administrators can establish linear (forcing pre-requisites within the curriculum) or non-linear (students have flexibility in the order of courses taken) curriculums. Curriculums can consist of online, classroom, and/or blended courses.

5.138 Upon successful completion of a course that is included in the students IDP, the Knowledge Centre will automatically update and display the status on the IDP.

5.139 The Knowledge Centre provides complete capabilities for tracking skills and competency management (by job or organization), including skills inventories, skill requirements, and skill gap analysis.

5.140 The Knowledge Centre allows the agency/public body to define its own skills and competencies.

5.141 The Knowledge Centre allows skills and competencies to be linked to courses.

5.142 The Knowledge Centre allows security privileges to enable/disable learners/managers to update their skills inventories.

5.143 The Knowledge Centre is capable of interfacing to an agency/public bodies HRM systems to extract and maintain learner's personal information (name, employee #, cost center, manager, job role, telephone, e-mail, etc.)

5.144 The Knowledge Centre is capable of displaying courses / learning paths for each learner based on job role and other defined criteria.

5.145 The Knowledge Centre provides a means for learners to view certification and regulatory requirements with current status and gaps.

5.146 The Knowledge Centre provides a means for learners to view assessments and test results.

5.147 The Knowledge Centre supports multiple competency models by business unit.

5.148 The Knowledge Centre is capable of maintaining job roles that are tied to competencies.

5.149 The Knowledge Centre is capable of maintaining job "types" which are supported by job roles.

5.150 The Knowledge Centre provides the capability for learners to compare their current skills profile with the skills requirements of other job types defined within the system – allowing for self-management of career development.

5.151 The Knowledge Centre allows managers to view all information on learner profiles in their area of responsibility.

5.152 The Knowledge Centre allows managers to define learning paths of learners.

5.153 The Knowledge Centre allows managers to view assessment results by individuals and teams and provide updates when required. Managers are also able to update performance results for a competency for a specified learner.

5.154 The Knowledge Centre is capable of guiding learners to courses based on results of pre-assessments and of enforcing course participations eligibility based on pre-test results.

5.155 The Knowledge Centre is capable of importing existing competency models.

5.156 The Knowledge Centre allows managers to search for people with specific skills in a given job type, along with minimum and maximum proficiency levels.

5.157 The Knowledge Centre is capable of maintaining learner, manager, and department/team profiles.

Certification Tracking Capability Functional Requirements

5.158 The Knowledge Centre provides administrators the ability to define and track certification requirements by employee or employee group. That is, administrators can establish required training "profiles" which specify period of recurrence, type of notification, number of notification emails, frequency of emails, and email recipients. Through the use of profiles, the system can accommodate multiple certification programs, which can be operated with different business rules for internal employees, partners and customers. The certification requirements may include both online and instructor-led classroom course types. The system can enforces pre-requisites and certification tracks, which can limit a user from progressing to the next "course" until the pre-requisite class or test has been successfully completed. Once a certification requirement is completed, the system supports automatic updating, tracking and

notification of certifications/accreditations and re-certification requirements and completions.

5.159 The Knowledge Centre can be configured to provide automatic email notification for certification and re-certification renewals. These notifications may be sent to employees, their managers, and/or training administrators as appropriate. E-mail reminders can be configured to include unique cc: recipients, including supplemental email text.

5.160 The Knowledge Centre provides enhanced certification reporting (by course, requirement, and user/student), as well as certification completion status. Certification reporting will be located in Course Reports section of the Reports Page, the User Reports section of the Reports Page and as a report type on the Reports Page menu. The certification course data will be filtered on the following fields:

- certification date range
- course name
- certification name
- user and organization name
- certification status

The certification reports will allow administrators the ability to report on certification data at the course, certification and user levels.

- The user reports will provide drill down capabilities on a user's certification history.
- The course reports will indicate if a course is a certification course and what certification profile is associated with it.
- The certification report will display all courses associated with the certification and what users have or have not completed based on a date range.

Additionally, the enhanced certification capability allows for individual Enhanced Personal Training Plan; this includes:

- Learner access to consolidated listing of "active" online course enrollments, classroom course schedule for enrolled courses, and training plan and status in mandatory courses
- Enhanced learner Transcripts page identifying mandatory/certification courses and a progress history link for each certification course.

The Knowledge Centre is capable of generating and disseminating hard copies of certificates of completion, transcripts and IDP's using the standard browser print function.

5.161 Within the Knowledge Centre, the Student Records function allows users to access and update their individual profile and transcript information. From here, they can view course information for classes they have accessed and/or completed. They can also add other items to their transcript, including outside learning events such as seminars, talks, and classes. They can also update their personal information such as login, password, organization, and profile, as allowed within the permissions established by the Administrator.

5.162 Further, students can create a user-defined Learning Event for any educational activity such as a college course, seminar, or conference that occurred outside the site that they wish to have included on their student transcript. Students can indicate if the event resulted in a Certificate by Selecting Yes or No from the Certification option buttons, again as allowed within the permissions established by the Administrator.

Learning Content Management Capability Functional Requirements

5.163 Standards

- The system is compliant with AICC API data model as implemented in SCORM.
- The System complies with IEEE standards as implemented within SCORM
- The System complies with the IMS standards as implemented within SCORM.
- The System complies with the ADL SCORM reference model.

5.164 Compatibility and Version Control

- The Knowledge Centre supports output to the following formats: AICC/SCORM 1.2 standards or above, Microsoft Word, printable version, CD-ROM/offline.
- The Knowledge Centre supports the import/export of any SCORM-conformant products using our SCORM Content Manager. This includes (not is not limited to) Dreamweaver, Toolbook, ReadyGo, and TrainerSoft.
- The Knowledge Centre does not require use of plug-ins.

- The Knowledge Centre supports the importing of Word/PowerPoint source material.
- The Knowledge Centre supports common file formats such as those for streaming media, graphic, audio, animation, etc.
- The Knowledge Centre will support version control with minimal customization.

5.165 Content Management

- Sharable Content Objects (SCOs) that are managed through the SCORM Content Manager are completely reusable. Course content developers have the option to use the SCO as-is or develop a customized version of the SCO for use in their course. If they use the existing SCO as-is, then whenever the content "owner" makes a change to that SCO, the change will be reflected in ALL instances of the SCO. This allows for true reusability.
- The Knowledge Centre facilitates the management of content development and readily accessible performance support tools. Content development is further managed through the Teaming Center tools, making use of the scheduling, email notification, action item, etc. tools inherent through the Teaming Center.

- The Knowledge Centre can launch any web-enabled courseware. SCORM conformant courses can be tracked through the System. CBTs, if SCORM 1.2 conformant may be downloaded for off-line use, played through our desktop application, the Meridian Player, if purchased. The student progress data can be re-synched with the System for tracking purposes. Courses are launched generally through the Course Information and Enrollment area of the Learning Center. Using SCORM, as students exit a course their last location is saved for the next time they return to the course. If the student wishes, they may return to that "bookmarked" page upon return or simply enter the course at a different location.

- Courses and Sharable Content Objects may also be launched directly from the Research Assistant and the Individual Development Plan.

5.166 Authoring Options

- The Knowledge Centre allows the use of Dreamweaver or similar authoring tools to develop online course content.
- The Knowledge Centre also provides its own web-based authoring system. Using Seminar Creator, an authoring system, authors can create content in a Microsoft PowerPoint presentation that is then uploaded to the site and

converted to HTML. The course presentation is enhanced with the addition of question and scenario interactions and the ability to link content in the site (references, glossary terms, etc.) to the course. All content input and uploading are accomplished through web-based forms. Seminar Creator allows the user to create the course and add it to the course catalog, create a course introduction, add references, glossary items, and several templated interactions. The tool also allows the user to upload a Microsoft PowerPoint file for inclusion in the course. Using server side functionality, the *.ppt file is published in HTML with a consistent navigation and presentation. The tool is completely browser-based. This tool allows subject matter experts to quickly develop and disseminate information across the enterprise and to augment more traditional authoring tools. The Knowledge Centre is also capable of authoring and delivering tests, surveys, and course evaluations.

- The Knowledge Centre provides templates for courses, modules, lessons, and learning objects. Seminar Creator, an authoring system, uses standard desktop software and web based forms. Authors can create content in a Microsoft PowerPoint presentation that is then uploaded to the site and converted to HTML. The course presentation is enhanced with the addition of question and scenario interactions and the ability to link content in the site (references, glossary terms, etc.) to the course. All content input and uploading are accomplished through web-based forms.
- The Knowledge Centre provides for revision of existing templates using the Seminar Tool and creation of new template in a WYSIWYG environment.

Testing Functional Requirements

5.167 The Knowledge Centre includes evaluation tools to measure learning effectiveness. Modeled after the Kirkpatrick Evaluation Factors, these tools support levels One through Four.

- Level 1 – Learner Reaction. The System includes an automated course critique, which is a web-based form. The course administrator can tailor the course critique to be specific to that course or choose to use a standard critique. As the learner completes and submits the form, the data is captured in a database. Course evaluators have access to a data reduction and analysis tool, which generates reports from this database.
- Level 2 – Learning. Learning is measured through changes to attitudes, an increase in knowledge or an improvement in skills. The System provides tools to capture and measure learning including the various student

assessment tools employed within the course. These include pre- and post-tests at the course level. The System provides reports presenting a comparison of pre- and post-test accomplishments for each individual.

- Level 3 – Behavior. This is the extent to which a person's behavior changes due to the courseware. The System survey tool and the 360 degree assessment capability can be used to gather behavior information related to changes in skill or behavior learned from specific courseware.
- Level 4- Return On Investment (ROI). Using the training cost tracking capacity within the Knowledge Centre, and Level 3 data, training administrators have the tools necessary to construct ROI measurements for particular training interventions.

5.168 All evaluations are easily managed through the course information tools/menu. Instructors/Administrators may link course evaluations directly to a course, by either selecting from the menu of default evaluations, or creating a course-specific evaluation.

5.169 The Knowledge Centre includes a robust Test Creator tool. The Test Creator tool creates and manages assessments that can be linked to SCORM compliant courses and other online courses or presented as stand alone assessments. The Ststem treats tests like other learning objects. Tests can be available, under development, published or unpublished. Tests are comprised of groups, which in turn consists of questions. Each group of questions can be modified and changed and re-linked to the appropriate course(s). The number of questions that are presented in each group is determined on the Test Creator form. When tests are accessed by students, questions are randomly selected from all possible questions in the group. The number of questions presented from each group is determined when the group is created/edited. As with all other learning objects, assessments can be ordered/re-ordered in any fashion within the course. All assessments developed using the Test Creator are automatically graded through Knowledge Centre's tools. Both pre-class and post-class assessments can be captured on the student's transcripts at the request of the training administrator.

For pre-tests, feedback is generally not provided for students. For post-tests, feedback is provided only to the extent that the test author wants to provide feedback (and links to remediation). The administrator can control feedback and can be disabled by not providing it in detail through the Test Creator tool. Additionally, the administrator can limit the number of test attempts and make other necessary testing changes through modifications of profiles and other configuration changes.

5.170 The Knowledge Centre supports any question formats (such as multiple-choice, true/false, fill-in blank, multiple multiple-choice, drag-and-drop, short answer, "click on a hotspot", etc.) as provided by a third-party authoring tool as long as it is SCORM-conformant.

6. Knowledge Management

The Knowledge Centre combines the functionality of a robust Learning Management System (LMS), Learning Content Management System (LCMS), a Knowledge Management system, and a competency management system. The System provides an integrated solution to manage learning and knowledge across the entire enterprise. Most large organizations or associations have a wealth of learning resources at their disposal. These resources are the result of years of investment and development. Typically, they include classroom course offerings, computer-based-training (CD-ROM), online learning, procedural policies, systems documentation, project reports and lessons learned, performance support tools, job aids, and classroom support materials. Often times, these investments also include knowledge repositories and related attempts to capture and codify organizational and individual knowledge. In every case, these knowledge assets include the students, or knowledge workers, but few organizations truly leverage this asset.

While most large organizations have made tremendous investments in learning resources, few realize the full return on that investment. The resources exist and may be used, but not to the full potential as a result of the lack of an integrated, synchronized implementation. For example, most organizations maintain video lending libraries, classroom lesson plans and materials, self-paced courseware and other resources that are not leveraged together to realize efficiencies and enhanced learning outcomes.

The Knowledge Centre provides a means to identify, capture and codify these resources in discreet knowledge objects. It also provides a central repository and the tools necessary to leverage them through various presentation approaches.

The process begins with the initial capture and cataloging of the organization's learning assets and knowledge. Once categorized, the learning assets, or knowledge objects, are indexed into the central knowledge repository. While many of the knowledge objects exist within the central repository, others exist on web servers throughout the organization's intranet or even external to the organization. In these cases, the repository is managing indexing information about the asset, providing access and management capabilities. The Knowledge Centre includes a standard approach to indexing the assets, using the Sharable Content Object Reference Model (SCORM) to ensure interoperability with the widest selection of content possible. The Knowledge Centre also supports organization specific taxonomies to facilitate retrieval and access to the knowledge

objects.

Once indexed into the repository, the knowledge objects are available for inclusion in online learning delivered through the learning management system. For self-paced online courseware, the Knowledge Centre supports SCORM conformant courseware, storing the individual content objects/assets. As a result courseware developers can quickly assemble new course offerings using the existing content objects.

The Knowledge Centre also manages classroom course materials and provides an easy way to leverage visual aids, handouts and other learning materials in online, classroom, and blended learning approaches. In each case, the knowledge object exists only once, but may be used in multiple presentations and contexts.

SCORM conformant commercial-off-the-shelf (COTS) courseware is easily integrated into the repository. Upon integration, not only are the various courses indexed, the system disaggregates the courseware and stores it as individual content objects/assets. As a result courseware developers can tailor COTS courseware to rapidly create organization specific curriculum. The other significant result is the system's ability to use individual content objects as electronic performance support tools, available on demand through the Knowledge Centre's performance support tools.

The repository contents are also available to communities of practice/interest and teams for use in the virtual workspace of the Teaming Center. This area allows users to collaborate around existing knowledge in order to solve problems, develop best practices, and ultimately create new knowledge. New knowledge developed within the Teaming Center may be added to the central repository and leveraged throughout the organization.

Learners may add contacts to their personal peer network, available within their personal portal – the "Personal KC". The personal peer network provides a quick access to the peer's contact information, links to any comments they have made on learning content, and links to any content they have added to the site.

Attachment B

Meridian KSI Knowledge Centre™ Version 4.1 Software License Detail

A. Software. Subject to the terms and conditions contained herein, the Contractor will license to the Commonwealth the following computer software products and associated documentation:

In source code and object code form:

Meridian KSI Knowledge Centre™ Version 4.1 Suite w/IDP – Enterprise License (Unlimited users, unlimited servers, single branded site)

B. License Term: Perpetual

C. Number of Servers: The Commonwealth may install the Software and Sublicensed Third-Party Products on the following number of servers:

One (1) production server
One (1) staging server
One (1) development server

D. Authorized Users: Unlimited users (state agencies and other public bodies)

E. Sublicenses Third Party Products. The Contractor will sublicense the following Sublicensed Third Party Products to the Commonwealth for the License Term set forth in this Contract:

Jmail 3.70
IRCD 2.95
SoftArtisans FileUp (in accordance with the SoftArtisan™ FileUp™ license agreement)
XMLinst.exe
MSXML3.exe

The Commonwealth will receive the number of licenses necessary to support the number of users necessary.

F. Other Third Party Products. If Commonwealth hosted, the following license must be obtained by the Commonwealth.

Microsoft SQL Server 7.0 (Service Pack 3 or higher) OR Oracle 8i Standard Edition (or

higher)
Windows NT Server 4.0 (service pack 6a), Windows 2000 or Higher
Windows Internet Information Service (IIS) 4.0 or Higher
SMTP mail server
A multimedia streaming package (if desired)
Microsoft® Office Professional (including PowerPoint®)

G. Hardware Configuration if hosted by the Commonwealth.

1) PC Server (minimum requirements: Pentium 166, 64MB RAM, 2.0 gigabyte free hard drive space)
2) Operating System (MS Windows NT 4.0 or higher)

H. Fees:

1) License Fee: As stated herein.
2) Maintenance Support Fee: As stated herein

Attachment C

Hosting and Web Site Availability Service Level Agreement

A. Services.

Subject to the provisions of this Contract, the Contractor will provide hosting services for the Meridian Knowledge Centre and IDP software products. The Contractor will provide shared servers properly configured with Meridian and third party software necessary to operate the Knowledge Centre software. The Contractor will also provide server and software maintenance necessary to provide continued operation, data and content backups and related services as described herein. The Contractor will provide to the Commonwealth shared servers properly configured with Meridian and third party software required to cause the Software to perform in accordance with the specifications set forth herein or to maintain the service level goal(s) included herin for Hosting Services, for any hosting services provided by the Contractor. In the event the web site becomes unavailable, the Contractor will commence work on such corrections or modifications within three (3) days after the Commonwealth gives the Contractor notice of failure of the Contractor to maintain Web Site Availability in accordance with this attachment or upon the Contractor's determination of any failure in Web Site Availability . If the Contractor is unable to restore Web Site Availability within five (5) business days following the Commonwealth's notice or the Contractor's determiniation, the Contractor will immediately notify the Commonwealth in writing, and such notice shall include a definitive schedule for delivery of remedies to restore the products or services.

B. Coverage; Definitions.

This Attachment serves as the Web Site Availability Service Level Agreement (SLA) and applies to the Commonwealth, having ordered Meridian Knowledge Centre™ Shared Web hosting services from the Contractor (the "Services"). As used herein, the term "Web Site Availability" means the percentage of a particular month (based on 24-hour days for the number of days in the subject month) that the content of the Commonwealth's Web site is available for access by the Commonwelath and their authorized users via HTTP and HTTPS, as measured by the Contractor. The Contract herein defines: a) the Web Site Availability Service Level Goal; b) the remedies for the Commonwealth in the event that the Service Level Goal is not achieved by the Contractor; c) the allowable exceptions that permit the Contractor to deliver less than the stated Service Level Goal thereby precluding any remedy to the Commonwealth; and d) the credit request and payment procedures when the Commonwealth invokes the remedies defined herein.

Service Level

1. Goal: The Contractor's goal is to achieve 100% Web Site Availability for the

Commonwealth.

2. Availability Monitoring and Reporting: The Contractor will use Deep Metrics' IP Monitor or equivalent monitoring software to monitor site availability. The monitoring software provides 24/7 site monitoring with automatic paging if a site becomes unavailable. The Contractor will generate availability reports monthly and provide to the DHRM Administrator on behalf of the Commonwealth.

3. Remedy: Subject to Sections d and e below, if the Web Site Availability of the Commonwealth's Knowledge Centre is less than 100%, the Contractor will issue a credit to the Commonwealth in accordance with the following schedule, with the credit being calculated on the basis of the monthly service charge for the affected Services.

Web Site Availability	Credit Percentage
99.7 to 100%	0%
98% to 99.6%	10%
95% to 97.9%	25%
90% to 94.9%	50%
89.9% or below	100%

4. Exceptions: The Commonwealth will not receive any credits under this Attachment in connection with any failure or deficiency of Web Site Availability caused by or associated with:

   a) Force Majeure events beyond the Contractor's reasonable control, including, without limitation, acts of any governmental body, war, insurrection, sabotage, armed conflict, embargo, fire, flood, strike or other labor disturbance, interruption of or delay in transportation, unavailability of or interruption or delay in telecommunications or third party services, virus attacks or hackers, failure of third party software (including, without limitation, ecommerce software, payment gateways, chat, statistics or free scripts) or inability to obtain raw materials, supplies or power used in or equipment needed for provision of this Contract;
   b) Failure of access circuits to the ISP Network, unless such failure is caused solely by the Contractor or its subcontractors;
   c) Scheduled maintenance and emergency maintenance and upgrades;
   d) DNS issues outside the direct control of the Contractor;
   e) Issues with FTP, POP or SMTP Commonwealth access
   f) False Schedule breaches reported as a result of outages or errors of any Contractor measurment system;
   g) Commonwealth's acts or omissions (or acts or omissions of others engaged or authorized by the Commonwealth), including, without

limitation, custom scripting or coding (e.g., CGI, Perl, HTML, ASP, etc), any negligence, willful misconduct;

h) E-mail or webmail delivery and transmission;

i) DNS (Domain Name Server) Propagation;

j) Outages elsewhere on the Internet that hinder access to the Commonwealth's account. The Contractor is not responsible for browser or DNS caching that may make the site appear inaccessible when others can still acces it. The Contractor will guarantee only those areas considered under the control of the Contractor: Contractor server links to the Internet, Contractor's routers, and Contractor's servers.

C. Credit Request and Payment Procedures: For the Commonwealth to receive a credit, the Commonwealth will make a request by sending an e-mail message to mpatel@meridianksi.com. Each request is to include the Commonwelath's account number and the dates and times of the unavailability of the Commonwealth's Web site and is to be received by the Contractor within ten (10) business days after the Commonwealth's Web site was not available. If the unavailability is confirmed by the Contractor, credits will be applied within one (1) week after the Contractor's receipt of the Commonwealth's credit request.

Notwithstanding anything to the contrary herein, the total amount credited to the Commonwealth in a particular month under this SLA will not exceed the total hosting fee paid by the Commonwealth for such month for the affected Services.

Site Hosting Fee: As stated herein.

D. Transition Support: The Commonwealth may, annually/at renewal, elect to transition the Software from a Contractor-hosted envoronment to a Commonwealth-hosted environment, or a third party-hosted envoronment selected by the Commonwealth. In any such event, the Contractor agrees to provide all necessary technical integration and implementation support to effect a smooth transition. The Commonwealth will pay for the services direct labor service rates herein.

EXHIBIT A – SOFTARTISANS, INC. END USER LICENSE AGREEMENT

This Exhibit A is incorporated by reference in Contract VA-040615-MKSI, between SoftArtisans ("SoftArtisans") and Commonwealth of Virginia ("Customer") and is in force as stated in the terms of the Contract.

SoftArtisans™ FileUp™ License Agreement
Single Server License

IMPORTANT: READ THE FOLLOWING TERMS AND CONDITIONS CAREFULLY.

THESE TERMS AND CONDITIONS CONSTITUTE THE ENTIRE LEGAL AGREEMENT BETWEEN YOU AND SOFTARTISANS, INC. ("SOFTARTISANS") CONCERNING THE PROPRIETARY SA-FILEUP(tm) SOFTWARE PROGRAM (THE "PROGRAM") AND THE ACCOMPANYING USER DOCUMENTATION (THE "DOCUMENTATION").

1. **Grant of License.** SoftArtisans grants you a non-exclusive license to install and the number of copies licensed to you according to Schedule 1, Section F. Sublicensed Third Party Products in the Meridian KSI General License and Services Agreement. You may use one (1) copy of the Program on a single network server computer owned or controlled by you for each copy of the Program licensed to you. You may transfer the Program from one network server computer to another, so long as you erase it from the old computer before loading it into the new one.

   You may install and use the Program within your own organization only. You may not reverse-engineer, disassemble, or decompile the Program. You may copy the Documentation for your own use. You may make a single backup copy. Resale or sublicensing is prohibited.

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Should you have any questions concerning this Agreement or if you desire to contact SoftArtisans for any reason, please contact: SoftArtisans, Inc. Telephone: 1-617-738-0777; FAX: 617-738-6278; Mail: P.O. Box 42, Brookline, MA 02446 USA. E-mail: info@softartisans.com.