

Virginia M. Barry, Ph.D.
Commissioner of Education
Tel: (603) 271-3144



Paul K. Leather
Deputy Commissioner
Tel: (603) 271-3801

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
DEPT. OF EDUCATION CITIZENS SERVICES 1-800-339-9900
21 South Fruit Street, Suite 20
Concord, NH 03301
603-271-3471 TTY/V

January 2, 2013

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

*3/3
63*
*Sole Source
Retroactive
No Additional Cost
100% Federal Funds*

REQUESTED ACTION

Authorize the Department of Education to amend a **sole source** retroactive contract with Kyran Research Associates, Inc., of Newport, Rhode Island (Vendor # 162923) originally approved by the Governor and Council on January 26, 2006 (Item # 65) and amended and approved by Governor and Council on December 8, 2010 (item # 160) for the purpose of extending the maintenance and support of the NH Vocational Rehabilitation Case Management System (NHVRCMS) and provide annual enhancements support for the NHVRCMS. Kyran has intimate knowledge of the NHVRCMS which they have acquired over the past twelve years. This amendment will allow time to complete the RFP process in search of a web-based system that will meet DoIT standards. This amendment extends the contract expiration date from December 31, 2012 to December 31, 2013. The FY 2013 funding (100% Federal) is decreased by \$25,000 from \$62,500 to \$37,500 and the FY 2014 funding is increased by \$25,000. Funds are available pending legislative approval of the next biennial budget:

<u>SFY</u>	<u>Funding</u>	<u>Amounts</u>
2013	06-56-56-565510-40200000	\$ 37,500.00
2014	06-56-56-565510-40200000	\$ 25,000.00

EXPLANATION

The Department of Education, Division of Career Technology and Adult Learning currently maintains approximately 30,000 individual customer records using a case management system (NHVRCMS) developed and maintained by Kyran Research Associates, Inc. to efficiently manage our Vocational Rehabilitation program. The NHVRCMS is used for tracking customer progress, case closure, printing caseload tracking reports, generating financial authorizations for services, linking NHVRCMS to the State's NH FIRST for direct payments to vendors and generating required federal reports.

New Hampshire Vocational Rehabilitation is seeking a one-year extension to the current contract with Kyran that will end on December 31, 2013. The agency has been using the Kyran supported case-management system since 2000. In a recent Rehabilitation Services Administration federal review it was indicated that the current case management system should be replaced. Over the last year the agency has been in the procurement process to obtain a new case management system. The final stages of that process are occurring to determine the vendor most appropriate and qualified to provide

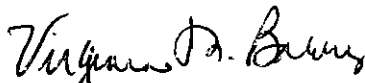
Her Excellency, Governor Margaret Wood Hassan
and the Honorable Executive Council
December 10, 2012
Page Two

the new software solution to manage the agency's 8,200 customers. A Request for Proposal was released to procure a web-based case management system that is compatible with other Department of Education systems and that will eliminate technological limitations that could impact service delivery. This one year extension will allow sufficient time to complete this process with the assistance of the Department of Information Technology.

The maintenance and enhancements that are required under this contract during the transition from the current case management system to a new case management system will keep the NH Vocational Rehabilitation program in compliance with USDOE Federal Regulations. It is important to keep this federal basic support program in compliance so that we may continue to receive funding from the US Department of Education. Kyran Research Associates, Inc. can most efficiently maintain the NHVRCMS for one more year to ensure a smooth transition to a web-based solution with a new vendor.

In the event that the Federal funds are no longer available, General funds will not be requested to support this program.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Virginia M. Barry".

Virginia M. Barry, Ph.D.
Commissioner of Education

S:/DCTA/BVR/VRCO/common/G&C/Kyran Amend 2013

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF INFORMATION TECHNOLOGY

27 Hazen Dr., Concord, NH 03301
Fax: 603-271-1516 TDD Access: 1-800-735-2964
www.nh.gov/doit

Peter C. Hastings
Acting Commissioner

December 11, 2012

Virginia Barry, Ph.D., Commissioner
State of New Hampshire
Department of Education
101 Pleasant Street
Concord, NH 03301

Dear Commissioner Barry:

This letter represents formal notification that the Department of Information Technology (DoIT) has approved your agency's request to amend into a contract with Kyran Research Associates, Inc., Middletown, Rhode Island, Vendor Number 162923, as described below and referenced as DoIT No. 2006-012AB

This is an amendment for technical support, maintenance, and enhancements of the Vocational Rehabilitation Case Management System, which supports many of the business goals of the Department of Education Division of Adult Learning and Rehabilitation. The amendment will become effective upon Governor and Council approval through December 31, 2013. There is no increase in the funding of the contract; therefore the total remains at \$1,050,000.00. This project is set forth in the Department of Education's Strategic Information Technology Plan dated October 18, 2005, Project Name Vocational Rehabilitation Case Management, Project Number 108.

A copy of this letter should accompany the Department of Education's submission to the Governor and Executive Council for approval.

Sincerely,

Peter C. Hastings

PCH/ltn
OIT 2006-012B

cc: Leslie Mason, DoIT
Chris Hensel, DoIT
Sharon DeAngelis, DOE

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
DIVISION OF CAREER TECHNOLOGY AND ADULT LEARNING
2006-012B CASE MANAGEMENT SYSTEM ENHANCEMENT AND MAINTENANCE CONTRACT
AMENDMENT B**

WHEREAS, pursuant to an Agreement approved by Governor and Council, as a result of Contract #2006-012, on January 26, 2006, Item #65 (herein after referred to as the "Agreement"), Kyran Research Associates, Inc. of Newport, RI (hereinafter referred to as the "Vendor"), agreed to supply certain services upon the terms and conditions specified in the Agreement and in consideration of payment by the Department of Education (hereinafter referred to as the "Department") acting for the benefit of the Agency, certain sums as specified therein;

WHEREAS, pursuant to the Agreement Statement of Work ("SOW") Section 13.17: Amendment and the provisions of the Agreement, the Agreement may be modified or amended only by a written instrument executed by the parties thereto and approved by the Governor and Executive Council;

WHEREAS, the Vendor and the Department have agreed to amend the Agreement in certain respects;

WHEREAS, the Department wishes to extend the contract expiration date from 12/31/2012 to 12/31/2013;

WHEREAS, the Department wishes to adjust the funding between fiscal years by decrease the Extension 3 amount from \$62,500.00 to \$37,500 and add \$25,000.00 Extension 4;

NOW THEREFORE, in consideration of the foregoing, and the covenants and conditions contained in the Agreement and set forth herein, the parties agree as follows:

Table 1

Contract # 2006-012B	AMENDED TEXT	
Contract Agreement (Page 1)	AMENDED TEXT	
Section 1.6 Completion Date	Amend Section 1.6 of the Contract Agreement to reflect a new completion date of December 31, 2013.	
Contract # 2006-012B Exhibit A Section #	AMENDED TEXT	
Section 2.0 Deliverables	Delete Section 2.0: <i>Deliverables</i> and replace with the following:	
	Part number	Description
	SFY 1 – Date of GNC Approval- 01/26/2006 to 12/31/2006	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests
	SFY 2 – 7/01/2006 – 6/30/2007	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests
	SFY 3 – 7/01/2007 – 6/30/2008	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests

Initial all pages

Vendor Initials S.E.W 12-05-2012

DoIT Contract Amendment v3.0 (7/09)

Page 1 of 4

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
DIVISION OF CAREER TECHNOLOGY AND ADULT LEARNING
2006-012B CASE MANAGEMENT SYSTEM ENHANCEMENT AND MAINTENANCE CONTRACT
AMENDMENT B**

	SFY 4 – 7/01/2008 – 6/30/2009	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests
	SFY 5– 7/01/2009 – 6/30/2010	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests
	SFY 6– 7/01/2010 – 12/31/2010	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests
	Extension 1 – 1/1/2011 – 6/30/2011	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests
	Extension 2 – 07/01/2011 – 6/30/2012	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests
	Extension 3 07/01/2012 – 6/30/2013	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests
	Extension 4 7/01/2013 – 12/31/2013	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests
Contract # 2006-012B		
Exhibit B		
Section #		
Section 1.1 Not to Exceed	Delete Table 1-1: <i>Deliverables Schedule</i> and replace with the following:	
	Part number	Description
	SFY 1 – Date of GNC Approval- 1/26/2006 - 6/30/2006	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests
		Fixed Fee Annual Maintenance \$64,544.00 Enhancement Programming Requests and Optional Services not to exceed <u>\$127,163.00</u> Total not to exceed \$191,707.00
	SFY 2 – 7/01/2006 – 6/30/2007	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests
		Fixed Fee Annual Maintenance \$153,949.00 Enhancement Programming Requests and Optional Services not to exceed <u>\$9,344.00</u> Total not to exceed \$163,293.00
	SFY 3 – 7/01/2007 – 6/30/2008	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests
		Fixed Fee Annual Maintenance, Support and Optional Services not to exceed <u>\$125,000.00</u> Total not to exceed \$125,000.00
	SFY 4 – 7/01/2008 – 6/30/2009	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests
		Fixed Fee Annual Maintenance, Support and Optional Services not to exceed <u>\$125,000.00</u> Total not to exceed \$125,000.00

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
DIVISION OF CAREER TECHNOLOGY AND ADULT LEARNING
2006-012B CASE MANAGEMENT SYSTEM ENHANCEMENT AND MAINTENANCE CONTRACT
AMENDMENT B**

SFY 5- 7/01/2009 – 6/30/2010	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	Fixed Fee Annual Maintenance, Support and Optional Services not to exceed <u>\$125,000.00</u> Total not to exceed \$125,000.00
SFY 6- 7/01/2010 – 12/31/2010	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	Fixed Fee Annual Maintenance, Support and Optional Services not to exceed <u>\$70,000.00</u> Total not to exceed \$70,000.00
Extension 1 1/1/2011 – 6/30/2011	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	Fixed Fee Annual Maintenance, Support and Optional Services not to exceed <u>\$62,500.00</u> Total not to exceed \$62,500.00
Extension 2 07/01/2011 – 6/30/2012	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	Fixed Fee Annual Maintenance, Support and Optional Services not to exceed <u>\$125,000.00</u> Total not to exceed \$125,000.00
Extension 3 07/01/2012 – 6/30/2013	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	Fixed Fee Annual Maintenance, Support and Optional Services not to exceed <u>\$37,500.00</u> Total not to exceed \$37,500.00
Extension 4 7/01/2013 – 12/31/2013	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	Fixed Fee Annual Maintenance, Support and Optional Services not to exceed <u>\$25,000.00</u> Total not to exceed
GRAND TOTAL		\$1,050,000.00

Table 3 Contract 2006-012B Case Expert Enhancement and Maintenance, Contract Amendment Descriptions

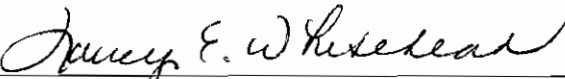
CONTRACT AND AMENDMENT #	AMENDMENT TYPE	EFFECTIVE DATE	CONTRACT AMOUNT
Contract #2006-012	Original Contract	1/26/2006	\$800,000.00
Amendment #A	First Amendment (A)	12/08/2010	\$250,000.00
Amendment #B	Second Amendment (B)	Upon G&C Approval	\$ 0.00
	CONTRACT TOTAL		\$1,050,000.00

Initial all pages
Vendor Initials S.E.W 12-05-2012

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
DIVISION OF CAREER TECHNOLOGY AND ADULT LEARNING
2006-012B CASE MANAGEMENT SYSTEM ENHANCEMENT AND MAINTENANCE CONTRACT
AMENDMENT B

Except as provided herein, all provisions of the Agreement shall remain in full force and effect. This modification shall take effect upon the approval date from the Governor and the Executive Council.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.



Nancy Whitehead, President,
Kyrán Research Associates, Inc.

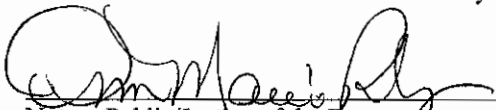
Date: Dec. 5, 2012

Corporate Signature Notarized:

STATE OF Rhode Island
COUNTY OF Newport

On this the 5th day of December, 2012, before me, Nancy E. Whitehead, the undersigned Officer, personally appeared and acknowledged her/himself to be the President, of Kyrán Research Associates, Inc., a corporation, and that she/he, as such President being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by her/himself as Nancy E. Whitehead, President, Kyrán Research Associates, Inc.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

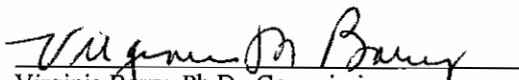


Notary Public/Justice of the Peace

My Commission Expires: 10-11-2015
(SEAL)

ANN MARIE PACHECO
NOTARY PUBLIC
STATE OF RHODE ISLAND
MY COMMISSION EXPIRES _____

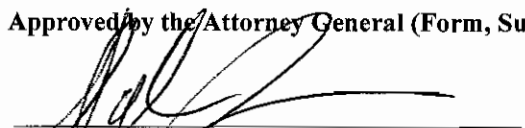
State of New Hampshire



Virginia Barry, Ph.D., Commissioner
Department of Education

Date: 12/13/12

Approved by the Attorney General (Form, Substance and Execution)



State of New Hampshire, Department of Justice

Date: 12/17/12

Initial all pages
Vendor Initials N.E.W. 12-05-2012



Resolution

Be it resolved that Kyran Research Associates, Inc. authorizes the President, Vice President, Secretary, and/or Treasurer to sign all agreements required to execute contracts with the State of New Hampshire, and the New Hampshire Department of Education, Division of Career Technology and Adult Learning.

Be it further resolved that Kyran Research Associates, Inc. is authorized to enter into contracts with the state of New Hampshire and the New Hampshire Department of Education, Division of Career Technology and Adult Learning.

Be it further resolved that Nancy E. Whitehead, President of the corporation was duly authorized to sign the contract.

Robert M. Whitehead
Secretary of the Corporation

Signature

Dec 5, 2012
Date

STATE OF Rhode Island

COUNTY OF Newport

On this the 5th day of December, 2012, before me, ANN MARIE PACHECO, the undersigned, personally appeared Robert M. Whitehead, who acknowledged her/himself to be the Secretary of Kyran Research Associates, Inc., a corporation, and that she/he as such Secretary being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by her/himself as Secretary.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

(SEAL)

ANN MARIE PACHECO
NOTARY PUBLIC
STATE OF RHODE ISLAND
MY COMMISSION EXPIRES _____

Notary Public/Justice of the Peace

My Commission expires: 10-11-2015

Initials N.E.W 12-05-2012

CERTIFICATE OF VOTE

I Robert M. Whitehead, Clerk/Secretary of the Kyran Research Associates, Inc, do hereby certify that: (1) I am the duly elected and acting Clerk/Secretary of the Kyran Research Associates, Inc. a Rhode Island corporation (the "Corporation"); (2) I maintain and have custody and am familiar with the seal and minute books of the Corporation; (3) I am duly authorized to issue certificates; (4) the following are true, accurate and complete copies of the resolutions adopted by the Board of Directors of the Corporation at a meeting of the said Board of Directors held on the 5th day of December, 2012, which meeting was duly held in accordance with Rhode Island law and the by-laws of the Corporation:

RESOLVED: That this Corporation enter into a contract amendment with the State of New Hampshire, acting by and through the Department of Education, Division of Career Technology and Adult Learning providing for the performance by the Corporation of certain Information Technology services, and that the President (and Vice President) (and the Treasurer) (or any of them acting singly) be and hereby (is) (are) authorized and directed for and on behalf of this Corporation to enter into the said contract with the State and to take any and all such actions and to execute, seal, acknowledge and deliver for and on behalf of this Corporation any and all documents, agreements and other instruments (and any amendments, revisions or modifications thereto) and (she) (he) (any of them) may deem necessary, desirable or appropriate to accomplish the same;

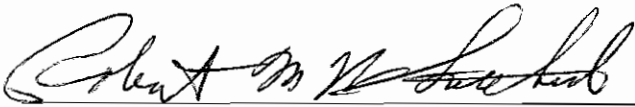
RESOLVED: That the signature of any officer of this corporation affixed to any instrument or document in or contemplated by these resolutions shall be conclusive evidence of the authority of said officer to bind this Corporation thereby;

(5) The foregoing resolutions have not been revoked, annulled, or amended in any manner whatsoever and remain in full force and effect as of the date hereof; (6) the following person(s) (has) (have) been duly elected to and now occupy the office(s) indicated below.

<u>Nancy E. Whitehead</u>	President
<u>Robert M. Whitehead</u>	Vice President
<u>Robert M. Whitehead</u>	Treasurer
<u>Robert M. Whitehead</u>	Secretary

IN WITNESS WHEREOF, I have hereunto set my hand as the Clerk/Secretary of the Corporation and have affixed its corporate seal this 5th day of December, 2012.

K.R.A.
(SEAL)

 12/5/2012
Clerk/Secretary

STATE OF Rhode Island

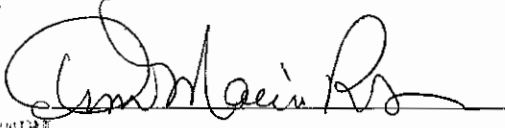
COUNTY OF Newport

On this the 5th day of December, 2012 before me, ANN MARIE PACHECO the undersigned,

personally appeared Robert M. Whitehead, who acknowledged her/himself to be the Clerk/Secretary of Kyran Research Associates, Inc, a corporation, and that she/he as such Clerk/Secretary being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by her/himself as Clerk/Secretary.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

(SEAL)


Notary Public/Justice of the Peace

My Commission expires:

ANN MARIE PACHECO
NOTARY PUBLIC
STATE OF RHODE ISLAND
MY COMMISSION EXPIRES 10-11-2015

State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that KYRAN RESEARCH ASSOCIATES, INC. a(n) Rhode sland corporation, is authorized to transact business in New Hampshire and qualified on January 18, 2000. I further certify that all fees and annual reports required by the Secretary of State's office have been received.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 10th day of December, A.D. 2012

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/05/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Hickey & Associates, Inc 1045 Warwick Avenue Suite 203 Warwick RI 02888-	CONTACT NAME: LORI SPRAGUE PHONE (AC No. Ext): (401) 467-6333 FAX (AC No.): (401) 467-6336 E-MAIL ADDRESS: LORI.JAYNE@ATT.NET
INSURED Kyran Research Associates, Inc. P.O. Box 3780 Newport RI 02840-	INSURER(S) AFFORDING COVERAGE INSURER A: The Hartford INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY ☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER ☐ POLICY ☐ PRO-JECT ☐ LOC		02 SBA TB9080	01/26/2012	01/26/2013	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMPIOP AGG \$ 4,000,000 FLL \$
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☐ HIRED AUTOS ☐ SCHEDULED AUTOS ☐ NON-OWNED AUTOS			/ /	/ /	COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB EXCESS LIAB DED RETENTION \$			/ /	/ /	EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER MEMBER EXCLUDED? (Mandatory in NH) If yes describe under DESCRIPTION OF OPERATIONS below	Y/N ☐ N/A	02 WEC E07240	02/02/2012	02/12/2013	WC STATUTORY LIMITS OTH-ER E L EACH ACCIDENT \$ 500,000 E L DISEASE - EA EMPLOYEE \$ 500,000 E L DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

() - () -
NH DEPARTMENT OF EDUCATION
21 S. FUIT STREET, SUITE 20
CONCORD NH 03301-

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Lori Sprague

Virginia M. Barry, Ph.D.
Commissioner of Education
Tel: (603) 271-3144



Paul K. Leather
Deputy Commissioner
Tel: (603) 271-3801

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
DEPT. OF EDUCATION CITIZENS SERVICES 1-800-339-9900
21 South Fruit Street, Suite 20
Concord, NH 03301
603-271-3471 TTY/V

November 12, 2010

His Excellency, Governor John Lynch
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Education to amend a **sole source** contract with Kyran Research Associates, Inc., of Newport, Rhode Island (Vendor # 162923) originally approved by the Governor and Council on January 26, 2006 (Item # 65) for the purpose of extending the maintenance and support of the NH Vocational Rehabilitation Case Management System (VRCMS) and provide annual enhancements support for the NH VRCMS. Kyran has intimate knowledge of the VRCMS which they have acquired over the past ten years. This amendment will allow time to complete an RFP process in search of a web-based system that will meet DoIT standards. The amendment increases the funding by \$250,000 from \$800,000 to a total contract value of \$1,050,000 and extends the contract expiration date from December 31, 2010 to December 31, 2012. Funds are available, and are anticipated to be available with the passage of the biennial budget for FY 2011, FY 2012 and FY 2013 in the following accounts:

<u>SFY</u>	<u>Funding</u>	<u>Amounts</u>
2011	06-56-56-565510-40200000	\$ 62,500.00
2012	06-56-56-565510-40200000	\$125,000.00
2013	06-56-56-565510-40200000	\$ 62,500.00

2. Authorize payment for services rendered and approved in lieu of withholding at least 25% of the total value of the contract.

EXPLANATION

The Department of Education, Division of Career Technology and Adult Learning currently maintains approximately 30,000 individual customer records using a case management system (VRCMS) developed and maintained by Kyran Research Associates, Inc. to efficiently manage our Vocational Rehabilitation program. The VRCMS is used for tracking customer progress, case closure, printing caseload tracking reports, generating financial

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
November 12, 2010
Page Two

authorizations for services, linking VRCMS to the State's NH FIRST for direct payments to vendors and generating required federal reports.

It is anticipated that a Request for Proposal will be completed during the next two years to procure a web-based case management system that is compatible with other Department of Education systems and that will eliminate technological limitations that could impact service delivery. This two year extension will allow sufficient time to complete this process with the assistance of the Department of Information Technology.

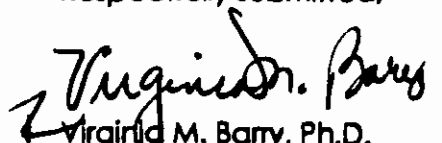
Kyran Research Associates, Inc. has worked closely with the Department of Education to make significant enhancements to the system. As part of these development efforts, Kyran Research Associates, Inc. completed a complex financial accounting module that has just recently enabled Vocational Rehabilitation to upload client-related payments directly to NH FIRST. This close partnership between Kyran Research Associates, Inc. and the state has paid off in significant automated capabilities and productivity improvements. Enhancements to the VRCMS system can most efficiently be carried out by Kyran Research Associates, Inc. as well as maintenance and support of this complex case management system. Additionally, another vendor attempting to carry out support of the CMS system would raise the risk of failure or delays for the state.

The maintenance and enhancements that are required under this contract will keep the NH Vocational Rehabilitation program in compliance with USDOE Federal Regulations. It is important to keep this federal basic support program in compliance so that we may continue to receive funding from the US Government. Additionally, this case management system continues to evolve in ways that support further business process improvement for the NH Vocational Rehabilitation programs. Kyran Research Associates, Inc. can most efficiently incorporate any such business process improvements into the system.

Kyran Research Associates, Inc. has demonstrated a high level of quality and performance. The Department feels that this vendor is the best vendor to continue to enhance and maintain the VRCMS system.

In the event that the Federal funds are no longer available, General funds will not be requested to support this program.

Respectfully submitted,


Virginia M. Barry, Ph.D.
Commissioner of Education

Q:/common/G&C/Kyran Amend 2011

**Disability Knows No Race, Color, or National Origin - We Serve All of the Disabled
Equal Opportunity Employer - Equal Educational Opportunities**

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
DIVISION OF CAREER TECHNOLOGY AND ADULT LEARNING
2006-012A CASE MANAGEMENT SYSTEM ENHANCEMENT AND MAINTENANCE CONTRACT
AMENDMENT A**

WHEREAS, pursuant to an Agreement approved by Governor and Council, as a result of Contract #2006-012, on January 26, 2006, Item #65 (herein after referred to as the "Agreement"), Kyran Research Associates, Inc. of Newport, RI (hereinafter referred to as the "Vendor"), agreed to supply certain services upon the terms and conditions specified in the Agreement and in consideration of payment by the Department of Education (hereinafter referred to as the "Department") acting for the benefit of the Agency, certain sums as specified therein;

WHEREAS, pursuant to the Agreement Statement of Work ("SOW") Section 13.17: Amendment and the provisions of the Agreement, the Agreement may be modified or amended only by a written instrument executed by the parties thereto and approved by the Governor and Executive Council;

WHEREAS, the Vendor and the Department have agreed to amend the Agreement in certain respects;

WHEREAS, the Department wishes to increase the contract price, the Department and the Vendor seek to clarify the Agreement;

WHEREAS, the Department wishes to increase the contract price by \$250,000 to bring the total contract price to \$1,050,000

WHEREAS, the Department wishes to extend the contract expiration date from 12/31/2010 to 12/31/2012;

NOW THEREFORE, in consideration of the foregoing, and the covenants and conditions contained in the Agreement and set forth herein, the parties agree as follows:

Table 1

Contract # 2006-012A	AMENDED TEXT
Contract Agreement (Page 1)	
Section 1.4 Contractor Address	Amend Section 1.4 of the Contract Agreement to reference the Vendor address: Kyran Research Associates, Inc. PO Box 3780, Newport, RI 02840
Section 1.5 Account	Amend Section 1.5 of the Contract Agreement to reflect a new funding account: 565510-40200000-102-0933
Section 1.6 Completion Date	Amend Section 1.6 of the Contract Agreement to reflect a new completion date of December 31, 2012.
Section 1.8 Price Limitation	Amend Section 1.8 of the Contract Agreement by increasing the Price Limitation from \$800,000 to \$1,050,000.
Contract # 2006-012A	
Statement of Work	
Introductory Paragraph (Page 5)	Delete the introductory paragraph and replace with: This Contract is by and between the State of New Hampshire, through the NH Department of Education – Division of Career Technology and Adult Learning, Vocational Rehabilitation Office (the "State"), and Kyran Research Associates, Inc. ("Contractor" or "The Contractor") having its principal place of business at 127 John Clarke Road, Middletown, RI 02842

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
DIVISION OF CAREER TECHNOLOGY AND ADULT LEARNING
2006-012A CASE MANAGEMENT SYSTEM ENHANCEMENT AND MAINTENANCE CONTRACT
AMENDMENT A

Section 4.1 Contractor Contract Manager	Delete Section 4.1: <i>Contractor Contract Manager</i> and replace with: 4.1 The Contractor Contract Manager The Contractor shall assign to the Contract a Contract Manager who shall be responsible for all Contract authorization and administration. Kyran Research Associates, Inc.'s Contract Manager is: Robert Whitehead Vice President PO Box 3780, Newport, RI 02840 TEL: 401-849-7734 FAX: 401-846-3832 EMAIL: bobw@kyran.com or the designated successor.						
Section 4.2 Project Manager	Delete Section 4.2: <i>Project Manager</i> and replace with: 4.2 Project Manager Kyran shall assign to the Contract a Project Manager who meets the requirements of the Contract, including but not limited to, technical and functional requirements of the existing VR-CMS. Kyran Research Associates, Inc. Project Manager is: Brenda Trudeau System Developer PO Box 3780, Newport, RI 02840 TEL: 401-849-7734 FAX: 401-846-3832 EMAIL: brenda@kyran.com or the designated successor.						
Section 4.3 Key Project Staff	Delete Section 4.3: <i>Kyran Key Project Staff</i> and replace with: 4.3 Kyran Key Project Staff 4.3.1 The Contractor Key Project Staff shall consist of the following individuals in roles as identified below: Key Members of the KYRAN Team are: <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">Contractor's Team -Key Member(s)</td> <td style="width: 40%;">Title</td> </tr> <tr> <td>Brenda Trudeau</td> <td>Project Manager</td> </tr> <tr> <td>Brenda Trudeau</td> <td>Project Lead Technical and Functional</td> </tr> </table>	Contractor's Team -Key Member(s)	Title	Brenda Trudeau	Project Manager	Brenda Trudeau	Project Lead Technical and Functional
Contractor's Team -Key Member(s)	Title						
Brenda Trudeau	Project Manager						
Brenda Trudeau	Project Lead Technical and Functional						
Section 10.0 Change Orders	Delete Section 10.0: <i>Change Orders</i> and replace with: 10. CHANGE ORDERS The State may make changes or revisions within the scope of the Contract at any time by						

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
 DIVISION OF CAREER TECHNOLOGY AND ADULT LEARNING
2006-012A CASE MANAGEMENT SYSTEM ENHANCEMENT AND MAINTENANCE CONTRACT
AMENDMENT A

	written Change Order, which shall be approved in writing by the Department of Information Technology. Within ten (10) business days of Kyran Research Associates, Inc. receipt of the Change Order, Kyran Research Associates, Inc. shall advise the State, in detail, of any impact to cost (e.g., increase or decrease) or Schedule or Exhibit I (Work Plan). Kyran Research Associates, Inc. may request a change within the scope of the Contract by written Change Order, detailing any impact on cost or Schedule. The State will attempt to respond within ten (10) business days. The State will be deemed to have rejected the Change Order if the parties are unable to reach an agreement in writing. All final Change Orders shall include original problem statement, specifications, anticipated timeline, hourly rate, number of hours, and staff positions, and shall be subject to the Contract amendment process described in Section 13 of the Contract as determined to apply by the State.																			
Section 13.16 Notice	Delete Section 13.16: <i>Notice</i> and replace with: 13.16 Notice Any notice by a party to the other party shall be deemed to have been duly delivered or given at the time of mailing by registered mail, postage prepaid, in a United States Post Office addressed to the parties at the following addresses. <table><tr><td>TO THE VENDOR:</td><td>TO STATE:</td></tr><tr><td>Kyran Research Associates, Inc. PO Box 3780, Newport, RI 02840 Tel(401)849-7734 FAX: 401-846-3832</td><td>State of New Hampshire Department of Education Division of Career Technology and Adult Learning 21 South Fruit Street Suite 20 Concord, NH 03301 Tel: (603) 271-3471</td></tr></table>				TO THE VENDOR:	TO STATE:	Kyran Research Associates, Inc. PO Box 3780, Newport, RI 02840 Tel(401)849-7734 FAX: 401-846-3832	State of New Hampshire Department of Education Division of Career Technology and Adult Learning 21 South Fruit Street Suite 20 Concord, NH 03301 Tel: (603) 271-3471												
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Section 13.6 Dispute Resolution	Delete the <i>Dispute Resolution Responsibility and Schedule Table</i> and replace with: Dispute Resolution Responsibility and Schedule Table <table><tr><th>LEVEL</th><th>KYRAN</th><th>THE STATE</th><th>CUMULATIVE ALLOTTED TIME</th></tr><tr><td>Primary</td><td>Project Manager Brenda Trudeau</td><td>State Project Manager (PM) Sharon DeAngelis</td><td>5 Business Days</td></tr><tr><td>First</td><td>Contractor Contract Manager Robert Whitehead</td><td>State Project Management Team (PMT) Sharon DeAngelis, Ken Young & Lisa Hatz</td><td>10 Business Days</td></tr><tr><td>Second</td><td>CEO Nancy Whitehead President</td><td>State Contracting Officer (CO) Paul Leather</td><td>15 Business Days</td></tr></table>				LEVEL	KYRAN	THE STATE	CUMULATIVE ALLOTTED TIME	Primary	Project Manager Brenda Trudeau	State Project Manager (PM) Sharon DeAngelis	5 Business Days	First	Contractor Contract Manager Robert Whitehead	State Project Management Team (PMT) Sharon DeAngelis, Ken Young & Lisa Hatz	10 Business Days	Second	CEO Nancy Whitehead President	State Contracting Officer (CO) Paul Leather	15 Business Days
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Contract # 2006-012A Exhibit A Section #	AMENDED TEXT																			

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
 DIVISION OF CAREER TECHNOLOGY AND ADULT LEARNING
 2006-012A CASE MANAGEMENT SYSTEM ENHANCEMENT AND MAINTENANCE CONTRACT
 AMENDMENT A

Section 2.0 Deliverables	Delete Section 2.0: <i>Deliverables</i> and replace with the following:																						
	<table><tr><th>Part number</th><th>Description</th></tr><tr><td>SFY 1 – Date of GNC Approval- 01/26/2006 to 12/31/2006</td><td>Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests</td></tr><tr><td>SFY 2 – 7/01/2006 – 6/30/2007</td><td>Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests</td></tr><tr><td>SFY 3 – 7/01/2007 – 6/30/2008</td><td>Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests</td></tr><tr><td>SFY 4 – 7/01/2008 – 6/30/2009</td><td>Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests</td></tr><tr><td>SFY 5 – 7/01/2009 – 6/30/2010</td><td>Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests</td></tr><tr><td>SFY 6 – 7/01/2010 – 12/31/2010</td><td>Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests</td></tr><tr><td>Extension 1 – 1/1/2011 – 6/30/2011</td><td>Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests</td></tr><tr><td>Extension 2 – 07/01/2011 – 6/30/2012</td><td>Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests</td></tr><tr><td>Extension 3 07/01/2012 – 12/31/2012</td><td>Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests</td></tr></table>	Part number	Description	SFY 1 – Date of GNC Approval- 01/26/2006 to 12/31/2006	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	SFY 2 – 7/01/2006 – 6/30/2007	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	SFY 3 – 7/01/2007 – 6/30/2008	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	SFY 4 – 7/01/2008 – 6/30/2009	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	SFY 5 – 7/01/2009 – 6/30/2010	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	SFY 6 – 7/01/2010 – 12/31/2010	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	Extension 1 – 1/1/2011 – 6/30/2011	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	Extension 2 – 07/01/2011 – 6/30/2012	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	Extension 3 07/01/2012 – 12/31/2012	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests		
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Contract # 2006-012A Exhibit B Section #																							
Section 1.1 Not to Exceed	Delete Table 1-1: <i>Deliverables Schedule</i> and replace with the following:																						
	<table><tr><th>Part number</th><th>Description</th><th></th></tr><tr><td>SFY 1 – Date of GNC Approval- 1/26/2006 - 6/30/2006</td><td>Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests</td><td>Fixed Fee Annual Maintenance \$64,544.00 Enhancement Programming Requests and Optional Services not to exceed <u>\$127,163.00</u> Total not to exceed <u>\$191,707.00</u></td></tr><tr><td>SFY 2 – 7/01/2006 – 6/30/2007</td><td>Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests</td><td>Fixed Fee Annual Maintenance \$153,949.00 Enhancement Programming Requests and Optional Services not to exceed <u>\$9,344.00</u> Total not to exceed <u>\$163,293.00</u></td></tr><tr><td>SFY 3 –</td><td>Software Support Services and</td><td>Fixed Fee Annual Maintenance, Support and</td></tr></table>	Part number	Description		SFY 1 – Date of GNC Approval- 1/26/2006 - 6/30/2006	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	Fixed Fee Annual Maintenance \$64,544.00 Enhancement Programming Requests and Optional Services not to exceed <u>\$127,163.00</u> Total not to exceed <u>\$191,707.00</u>	SFY 2 – 7/01/2006 – 6/30/2007	Software Support Services and Maintenance, Optional Services to include: Training and special Enhancement Programming Requests	Fixed Fee Annual Maintenance \$153,949.00 Enhancement Programming Requests and Optional Services not to exceed <u>\$9,344.00</u> Total not to exceed <u>\$163,293.00</u>	SFY 3 –	Software Support Services and	Fixed Fee Annual Maintenance, Support and										
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AMENDMENT A

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Section 5 Payment Address	Change Payment Address to: 5. PAYMENT ADDRESS All payments to be made to the following address: Kyran Research Associates, Inc. PO Box 3780, Newport, RI 02840	
Table 1-2 Exhibit B Price and Payment	Delete Table 1-2: <i>KYRAN Management Systems Rates Pricing Worksheet</i> and replace with the following:	

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
DIVISION OF CAREER TECHNOLOGY AND ADULT LEARNING
2006-012A CASE MANAGEMENT SYSTEM ENHANCEMENT AND MAINTENANCE CONTRACT
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Schedule	Table 1-2 KYRAN Rates Pricing Worksheet (Hourly Rates) These rates are for future development purposes for deliverable pricing.		
	Position Title	SFY 2011 & SFY 2012 1/1/2011 -12/31/2011	SFY 2012 & SFY 2013 1/1/2012 - 12/31/2012
	Project Manager Database Specialist	155.59	162.64
	Systems Development Specialist	141.01	148.60
	Documentation Specialist	113.16	119.06

Table 3 Contract 2006-012A Case Expert Enhancement and Maintenance, Contract Amendment Descriptions

CONTRACT AND AMENDMENT #	AMENDMENT TYPE	EFFECTIVE DATE	CONTRACT AMOUNT
Contract #2006-012A	Original Contract	1/26/2006	\$800,000.00
Amendment #A	First Amendment (A)	Upon G&C Approval	\$250,000.00
	CONTRACT TOTAL		\$1,050,000.00

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
DIVISION OF CAREER TECHNOLOGY AND ADULT LEARNING
2006-012A CASE MANAGEMENT SYSTEM ENHANCEMENT AND MAINTENANCE CONTRACT
AMENDMENT A

Except as provided herein, all provisions of the Agreement shall remain in full force and effect. This modification shall take effect upon the approval date from the Governor and the Executive Council.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

Nancy E. Whitehead
Nancy Whitehead, President, and CEO
Kyran Research Associates, Inc.

Date: Nov. 9, 2010

Corporate Signature Notarized:

STATE OF RI

COUNTY OF Newport

On this the 9 day of November, 2010, before me, Nancy Whitehead, the undersigned Officer NANCY E. WHITEHEAD personally appeared and acknowledged her/himself to be the PRESIDENT, of KYRAN RESEARCH ASSOC., a corporation, and that she/he, as such PRESIDENT being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by her/himself as NANCY E. WHITEHEAD, PRESIDENT, KYRAN RESEARCH ASSOCIATES

IN WITNESS WHEREOF I hereunto set my hand and official seal.

Donna Savage
Notary Public/Justice of the Peace

My Commission Expires:

(SEAL) **DONNA SAVAGE**
NOTARY PUBLIC, RHODE ISLAND
COMMISSION EXPIRES 01/14/2014

State of New Hampshire

Virginia D. Barry
Virginia Barry, Ph.D., Commissioner
Department of Education

Date: 11/16/10

Approved by the Attorney General (Form, Substance and Execution)

ATB
State of New Hampshire, Department of Justice

Date: 11/22/2010



STATE OF NEW HAMPSHIRE
DEPARTMENT OF INFORMATION TECHNOLOGY
27 Hazen Dr., Concord, NH 03301
Fax: 603-271-1516 TDD Access: 1-800-735-2964
www.nh.gov/doit

Peter C. Hastings
Interim Commissioner

November 17, 2010

Virginia Barry, Ph.D., Commissioner
State of New Hampshire
Department of Education
101 Pleasant Street
Concord, NH 03301

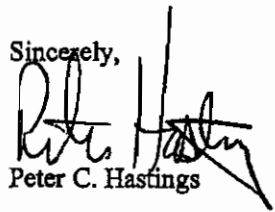
Dear Commissioner Barry:

This letter represents formal notification that the Department of Information Technology (DoIT) has approved your agency's request to amend into a contract with Kyran Research Associates, Inc., Middletown, Rhode Island, Vendor Number 162923, as described below and referenced as DoIT No. 2006-012A.

This is an amendment for technical support, maintenance, and enhancements of the Vocational Rehabilitation Case Management System, which supports many of the business goals of the Department of Education Division of Adult Learning and Rehabilitation. The amendment will become effective upon Governor and Council approval through December 30, 2012. The amount of the amendment is \$250,000.00, increasing the contract funding from \$800,000.00, to a new contract total of \$1,050,000.00. This project is set forth in the Department of Education's Strategic Information Technology Plan dated October 18, 2005, Project Name Vocational Rehabilitation Case Management, Project Number 108.

A copy of this letter should accompany the Department of Education's submission to the Governor and Executive Council for approval.

Sincerely,


Peter C. Hastings

PCH/ltm
OIT 2006-012A
A&E RID 10073

cc: Leslie Mason, Contract Manager, DoIT
Chris Hensel, IT Manager, DoIT
Lisa Hatz, Director, DOE Division of Adult Learning and Rehabilitation

Lyonel B. Tracy
Commissioner of Education
Tel. 603-271-3144



STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
101 Pleasant Street
Concord, N.H. 03301
FAX 603-271-1953
Citizens Services Line 1-800-339-9900

Mary S. Heath
Deputy Commissioner
Tel. 603-271-7301

FOR INFORMATION ONLY

G & C Letter # 8095

G & C Date 1/26/06

APPROVED:

Page # 65

Item # 65

December 12, 2005

His Excellency, Governor John Lynch
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

151 706

REQUESTED ACTION

1. Authorize the Department of Education to enter into a sole source contract with Kyran Research Associates, Inc., of Middletown, Rhode Island (Vendor # 103686) in an amount not to exceed \$800,000, for the five year period effective upon Governor and Council approval through December 30, 2010 for maintenance and enhancements to the existing Vocational Rehabilitation case management system.

Funds are available, and are anticipated to be available with the passage of the biennial budgets, for FY 2006, FY2007, FY 2008, FY 2009, FY 2010 and FY 2011 in the following accounts:

<u>SFY</u>	<u>Funding</u>	<u>Amounts</u>
2006	010-056-4020-VR-090-0464 (100% Federal)	\$191,707.00
2007	010-056-4020-VR-090-0464 (100% Federal)	\$163,293.00
2008	010-056-4020-VR-090-0464 (100% Federal)	\$125,000.00
2009	010-056-4020-VR-090-0464 (100% Federal)	\$125,000.00
2010	010-056-4020-VR-090-0464 (100% Federal)	\$125,000.00
2011	010-056-4020-VR-090-0464 (100% Federal)	\$ 70,000.00

2. Authorize payment for services rendered and approved in lieu of withholding at least 25% of the total value of the contract.

EXPLANATION

The Department of Education, Division of Adult Learning and Rehabilitation currently maintains approximately 30,000 individual customer records using a case management system (VRCMS) developed and maintained by Kyran Research Associates, Inc. to efficiently manage our Vocational Rehabilitation program. The VRCMS is used for tracking customer progress, case closure, printing caseload tracking reports and generating financial authorizations for services and providing required federal reports.

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
December 12, 2005
Page Two

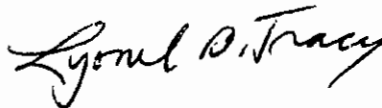
Kyran Research Associates, Inc. has worked closely with the Department of Education to completely re-code and make significant enhancements to the original system developed by Systems Research Corporation. As part of these development efforts, Kyran Research Associates, Inc. completed a complex financial accounting module that has just recently been deployed. This close partnership between Kyran Research Associates, Inc. and the state has paid off in significant automated capabilities and productivity improvements. Pending enhancements to the CMS system can most efficiently be carried out by Kyran Research Associates, Inc. as well as maintenance and support of this complex CMS system. Additionally, another vendor attempting to carry out support of the CMS system would raise the risk of failure or delays for the state.

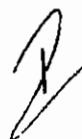
The maintenance and enhancements that are required under this contract will keep the NH Vocational Rehabilitation program in compliance with USDOE Federal Regulations. It is important to keep this federal basic support program in compliance so that we may continue to receive funding from the US Government. Additionally, this case management system continues to evolve in ways that support further business process improvement for the NH Vocational Rehabilitation programs. Kyran Research Associates, Inc. can most efficiently incorporate any such business process improvements into the system.

Kyran Research Associates, Inc. has demonstrated a high level of quality and performance. The Department feels that this vendor is the best vendor to continue to enhance and maintain the VRCMS system.

In the event that the Federal funds are no longer available, General funds will not be requested to support this program.

Respectfully submitted,



 Lyonel B. Tracy
Commissioner of Education

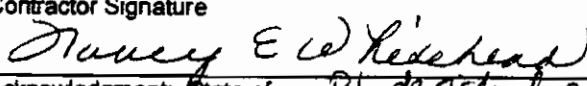
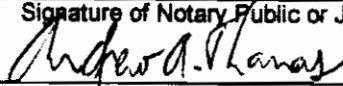
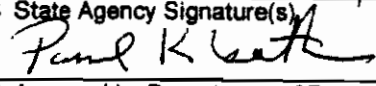
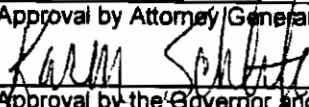
**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

CONTRACT AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. Identification and Definitions.

1.1 State Agency Name Department of Education - Division of Adult Learning and Rehabilitation		1.2 State Agency Address 21 South Fruit St. Suite 20 Concord, NH 03301	
1.3 Contractor Name Kyran Research Associates, Inc.		1.4 Contractor Address 127 John Clarke Road Middletown, RI 02842	
1.5 Account No. 010-056-4020-VR-090-0464	1.6 Completion Date December 30, 2010	1.7 Audit Date N/A	1.8 Price Limitation \$800,000.00
1.9 Contracting Officer for State Agency Paul K. Leather, Director		1.10 State Agency Telephone Number 603-271-3471	
1.11 Contractor Signature 		1.12 Name & Title of Contractor Signor Nancy E. Whitehead, President	
1.13 Acknowledgment: State of <u>Rhode Island</u> County of <u>Newport</u> On <u>December 7, 2005</u> , before the undersigned officer, personally appeared the person identified in block 1.12, is the person whose name signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in Block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] 			
1.13.2 Name & Title of Notary Public or Justice of the Peace <u>Andrew A. Thomas, Notary Public, my commission expires 4/28/2009</u>			
1.14 State Agency Signature(s) 		1.15 Name/Title of State Agency Signor(s) Paul K. Leather, Director	
1.16 Approval by Department of Personnel (Rate of Compensation for Individual Consultants) By: _____ Director, On: _____			
1.17 Approval by Attorney General (Form, Substance and Execution) By:  Assistant Attorney General, On: <u>1/5/06</u>			
1.18 Approval by the Governor and Council By: _____ On: _____			

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

TABLE OF CONTENTS

1. CONTRACT.....	5
1.1 CONTRACT DOCUMENTS.....	5
1.2 ORDER OF PRECEDENCE	6
1.3 NON-EXCLUSIVE CONTRACT	6
1.4 NOT TO EXCEED CONTRACT.....	6
2. CONTRACT TERM.....	6
3. COMPENSATION	7
3.1 CONTRACT PRICE.....	7
4. CONTRACT MANAGEMENT	7
4.1 THE CONTRACTOR CONTRACT MANAGER	7
4.2 CONTRACT MANAGER.....	7
4.3 KYRAN KEY PROJECT STAFF.....	9
4.4 STATE CONTRACT MANAGER.....	10
4.5 STATE PROJECT MANAGER	10
4.6 STATUS MEETINGS AND REPORTS	11
4.7 STATE-OWNED DOCUMENTS AND DATA	11
4.8 RECORDS RETENTION AND ACCESS REQUIREMENTS	12
4.9 ACCOUNTING REQUIREMENTS	12
4.10 BACKGROUND CHECKS	13
5. CONTRACT DELIVERABLES	13
5.1 DELIVERABLES	13
5.2 NON-SOFTWARE AND WRITTEN DELIVERABLES REVIEW AND ACCEPTANCE.....	13
5.3 SYSTEM/SOFTWARE TESTING AND ACCEPTANCE.....	14
5.4 FAILURE TO ACCEPT OR REJECT A DELIVERABLE	14
6. SOFTWARE.....	14
6.1 VR-CMS SOFTWARE AND DOCUMENTATION	14
6.2 VR-CMS SOFTWARE SUPPORT AND MAINTENANCE.....	14
6.3 CUSTOM SOFTWARE AND DOCUMENTATION	14
6.4 CUSTOM SOFTWARE SUPPORT AND MAINTENANCE	14
7. WARRANTY.....	14
8. SERVICES.....	14
8.1 ADMINISTRATIVE SERVICES	15

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

8.2	IMPLEMENTATION SERVICES.....	15
8.3	TESTING SERVICES.....	15
8.4	TRAINING SERVICES.....	15
8.5	MAINTENANCE AND SUPPORT SERVICES.....	15
9.	WORK PLAN DELIVERABLE	15
10.	CHANGE ORDERS	16
11.	INTELLECTUAL PROPERTY RIGHTS	16
11.1	DELIVERABLES	16
11.2	STATE'S TITLE.....	16
11.3	STATE'S BUSINESS.....	17
11.4	KYRAN'S MATERIALS	17
11.5	COPYRIGHT	17
11.6	CUSTOM SOFTWARE SOURCE CODE.....	18
11.7	SURVIVAL.....	18
12.	USE OF STATE'S INFORMATION, CONFIDENTIALITY	18
12.1	USE OF STATE'S INFORMATION	18
12.2	CONFIDENTIALITY OF STATE'S INFORMATION	18
12.3	KYRAN'S CONFIDENTIAL INFORMATION	19
12.4	SURVIVAL.....	19
13.	GENERAL PROVISIONS.....	19
13.1	CONDITIONAL NATURE OF CONTRACT	19
13.2	COMPLIANCE BY THE CONTRACTOR WITH LAWS AND REGULATIONS: EQUAL EMPLOYMENT OPPORTUNITY	20
13.3	REGULATORY/GOVERNMENTAL APPROVALS.....	20
13.4	ACCESS/COOPERATION	20
13.5	PERSONNEL.....	21
13.6	DISPUTE RESOLUTION.....	21
13.7	TERMINATION.....	22
13.8	FORCE MAJEURE.....	25
13.9	CHANGE OF OWNERSHIP.....	25
13.10	THE CONTRACTOR'S RELATION TO THE STATE	25
13.11	ASSIGNMENT, DELEGATION AND SUBCONTRACTS	25
13.12	INDEMNIFICATION	26
13.13	LIABILITY	26
13.14	INSURANCE	27
13.15	WAIVER OF EVENT OF DEFAULT.....	28
13.16	NOTICE	28
13.17	AMENDMENT	28
13.18	CONSTRUCTION OF CONTRACT AND TERMS	28

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

13.19	THIRD PARTIES.....	28
13.20	HEADINGS.....	29
13.21	EXHIBITS.....	29
13.22	SURVIVAL.....	29
13.23	ENTIRE CONTRACT	29
14.	DEFINITIONS	29

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

This Contract is by and between the State of New Hampshire, through the NH Department of Education – Division of Adult Learning and Rehabilitation (the “State”), and Kyran Research Associates, Inc. (“Contractor” or “The Contractor” or “Kyran”) having its principal place of business at Middletown, RI.

RECITALS

The State issued Request for Proposal ITS07 2001-007 (section 5) June 20, 2001 and PO #56000001615 dated August 02 2001 to procure a customized software system (and associated services) for the Division of Adult Learning and Rehabilitation – Vocational Rehabilitation;

The Contractor submitted a Proposal in response to RFP ITS07 2001-007 (section 5) and the State executed a contract with the Contractor in August 02, 2001. The original contract expired June 30th, 2005.

The State desires to have the Contractor continue maintenance and enhancements, with associated services; for the case management software system developed under contract ITS07 2001-007 (section 5).

THEREFORE, in consideration of the mutual covenants and promises contained herein and in the Contract Documents, the parties agree as follows:

1. CONTRACT

1.1 Contract Documents

This Contract is comprised of the Contract Documents, which are incorporated herein by reference:

- a. The Contract Document and the Statement of Work
- b. Exhibit A Contract Deliverables
- c. Exhibit B Price and Payment Schedule
- d. Exhibit C Special Provisions
- e. Exhibit D Administrative Services
- f. Exhibit E Implementation Service
- g. Exhibit F Testing Services
- h. Exhibit G Maintenance and Support Services
- i. Exhibit H Requirements (ECR20)
- j. Exhibit I Work Plan
- k. Exhibit J Software License and related Terms
- l. Exhibit K Warranty and Warranty Services
- m. Exhibit L Training Services
- n. Exhibit M IT Required Work Procedures
- o. Exhibit N Confidentiality

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

Kyran

- p. Exhibit O The Contractor Certificate of Vote
- q. Exhibit P The Contractor Certificate of Authority
- r. Exhibit Q The Contractor Certificate of Insurance
- s. Exhibit R Performance Bond
- t. Exhibit S The Contractor Proposal Transmittal Form Letter

1.2 Order of Precedence

In the event of conflict or ambiguity among any of the text of the Contract Documents, the following Order of Precedence shall govern:

- a. Section 13(General Provisions), as stated in the Contract Statement of Work and Exhibit H of the contract.
- b. All remaining terms of the Statement of Work and Exhibits;
- c. The IT Project Required Work Procedures.

1.3 Non-Exclusive Contract

This is a Non-Exclusive Contract as set forth in the Contract. The State may, at its discretion, retain other contractors to provide Services or products procured under the Contract for other State of New Hampshire implementations and work related to the Contract. Kyran will not be responsible for any delay, act, or omission of such other contractors, except that Kyran shall be responsible for any delay, act, or omission of the other contractors if such delay, act, or omission is caused by or due to the fault of Kyran.

1.4 Not to Exceed Contract

This is a Not to Exceed Contract. The amounts identified in Exhibit B are not to be exceeded as a total amount.

2. CONTRACT TERM

The Contract shall take effect after full execution by the parties, and the receipt of required governmental approvals, including but not limited to, Governor and Executive Council approval (the "Effective Date").

The Contractor's term will be for 5 (five) years, which shall not extend beyond December 31, 2010 or five years beyond Governor and Executive Council approval, which ever occurs later.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

The State does not require The Contractor to commence work prior to the Effective Date; however, if The Contractor commences work prior to the Effective Date, such work will be performed at the sole risk of The Contractor. In the event that the Contract does not become effective, the State shall be under no obligation to pay the Contractor for any costs incurred or services performed.

The Contractor shall be fully prepared to commence work upon issuance of the Notice to Proceed. Time is of the essence in the performance of the Contractor's obligations with respect to completion as required under the Contract.

3. COMPENSATION

3.1 Contract Price

The Contract price, method of payment, and terms of payment are identified in Exhibit B: *Price and Payment Schedule*.

4. CONTRACT MANAGEMENT

The Project will require the coordinated efforts of a Project team consisting of both Kyran and State personnel. Kyran shall provide all necessary resources to perform its obligations under the Contract. Kyran shall be responsible for managing the Project to its successful completion.

4.1 The Contractor Contract Manager

The Contractor shall assign to the contract a Contract Manager who shall be responsible for all Contract authorization and administration. Kyran's Contract Manager is:

Robert Whitehead
Vice President
127 John Clarke Road, Middletown, RI 02842
TEL: 401-849-7734
FAX: 401-846-3832
EMAIL: bobw@kyran.com

or the designated successor.

4.2 Contract Manager

4.2.1 Contract Project Manager

Kyran shall assign to the Contract a Project Manager who meets the requirements of the Contract, including but not limited to, technical and

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

functional requirements of the existing VR-CMS. Selection of the Project Manager shall be subject to the prior written approval of the State. The State's approval process may include, at the State's discretion, review of the proposed Project Manager's resume and qualifications, references and background checks, and an interview. The State may require removal or reassignment of the Kyran's Project Manager who, in the sole judgment of the State, is found unacceptable to the State or is not performing to the State's satisfaction. Any background checks shall be performed in accordance with Section 4.10.

4.2.2 The Kyran Project Manager shall have full authority to make binding decisions under the Contract, and shall function as The Contractor's representative for all administrative and management matters. The Kyran's Project Manager must be available to promptly respond during Normal Business Hours within four (4) hours to inquiries from the State, and be at the site as needed. The Kyran's Project Manager must work diligently and use his/ her best efforts on the Project. The Kyran's Project Manager must be qualified to perform the obligations required of the position under the Contract.

4.2.3 Kyran shall not change its assignment of the Project Manager without providing the State written justification and obtaining the prior written approval of the State. State approvals for replacement of the Kyran's Project Manager shall not be unreasonably withheld. The replacement Project Manager shall have comparable or greater skills than the Project Manager being replaced; meet the requirements of the Contract, including but not limited to, technical and functional requirements of the existing VR-CMS; and be subject to reference and background checks described above in Section 4.2.1 and 4.10. Kyran shall assign to the Contract a replacement Project Manager within ten (10) business days of the departure of the prior Kyran Project Manager, and continue during the ten (10) business day period, to provide project management services through the assignment of an interim Project Manager.

4.2.4 Notwithstanding any other provision of the Contract, the State shall have the option, at its discretion, to terminate the Contract and declare Kyran in default, if Kyran fails to assign a Project Manager meeting the requirements and terms of the Contract.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

4.2.5 The Kyran Project Manager is:

Brenda Trudeau
System Developer
PO Box 3780, Newport, RI 02840
TEL: 401-849-7734
FAX: 401-846-3832
EMAIL: brendat@kyran.com

or the designated successor.

4.3 Kyran Key Project Staff

4.3.1 The Contractor shall assign "Key Project Staff" who meet the requirements of the Contract, and can implement the VR-CMS software meeting the technical and functional requirements of the existing VR-CMS. The State may conduct reference and background checks on the Contractor Key Project Staff. The State reserves the right to require removal or reassignment of the Contractor's Key Project Staff who are found unacceptable to the State. Any background checks shall be performed in accordance with Section 4.10: *Background Checks* of this contract.

4.3.2 The Contractor shall not change any Key Project Staff commitments without providing the State written justification and obtaining prior written approval of the State. State approvals for replacement of the Key Project Staff will not be unreasonably withheld. The replacement Key Project Staff shall have comparable or greater skills than the Key Project Staff being replaced; meet the requirements of the Contract, including but not limited to the technical and functional requirements of the existing VR-CMS and be subject to reference and background checks described above in Section 4.2.1 and in Section 4.10: *Background Checks*, of this Contract.

4.3.3 Notwithstanding any other provision of the Contract, the State shall have the option, at its discretion, to terminate the Contract and declare The Contractor in default, if the Contractor fails to assign Key Project Staff meeting the requirements and terms of the Contract.

4.2.3.1 The Contractor Key Project Staff shall consist of the following individuals in roles as identified below:

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

Key Members of the Contractor Team are:

<u>Contractor's Team -Key Member(s)</u>	<u>Title</u>
Brenda Trudeau	Project Manager
Brenda Trudeau	Project Lead – Technical and Functional

4.4 State Contract Manager

The State shall assign to the Contract a State Contract Manager who shall function as the State's representative with regard to Contract administration. The State Contract Manager is:

Bonnie St. Jean
Administrator
Dept. of Education
21 South Fruit Street Suite 20, Concord, NH 03301
TEL: (603) 271-3805
FAX: (603) 271-7095
EMAIL: bst.jean@ed.state.nh.us

or a designated successor.

4.5 State Project Manager

The State shall assign to the Contract a State Project Manager. The State Project Manager's duties shall include the following:

- a. Leading the Project;
- b. Engaging and managing all contractors; and
- c. Managing significant issues and risks.
- d. Review and acceptance of Contract Deliverables
- e. Invoice sign-offs
- f. Review and approval of Change proposals
- g. Managing stakeholders' concerns.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

The State Project Manager is:

Kenneth J. Young
Dept. of Education
21 South Fruit Street Suite 20, Concord, NH 03301
TEL: (603) 271-3810
FAX: (603) 271-7095
EMAIL: kyoung@ed.state.nh.us

or a designated successor.

4.6 Status Meetings and Reports

The Contractor's Project Manager or Key Staff personnel shall submit bi-weekly status reports in accordance with the schedule and terms of this Contract. The Contractor's Staff shall participate in meetings as requested by the State, in accordance with the requirements and terms of this Contract. All status reports shall be prepared in formats approved by the State, unless otherwise agreed by the parties in writing. Status reports shall include, at a minimum, the following:

- a. Project status related to the Project Work Plan;
- b. Deliverables status;
- c. Accomplishments during weeks being reported;
- d. Planned activities for the upcoming two (2) week period;
- e. Future activities; and
- f. Issues and concerns requiring resolution.

As reasonably requested by the State, The Contractor shall provide the State with information or reports regarding the Project. Kyran shall prepare special reports and presentations relating to Project Management, and shall assist the State in preparing such reports and presentations, as reasonably requested by the State at no additional cost.

4.7 State-Owned Documents and Data

Kyran shall provide the State access to all documents, State Data, materials, reports and other work in progress relating to the Contract ("State Owned Documents"). Upon expiration or termination of the Contract with the State, Kyran shall turn over all State-owned documents, material, reports, and work in progress relating to this Contract to the State at no additional cost to the State. Documents must be provided in both printed and electronic format

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

4.8 Records Retention and Access Requirements

The Contractor shall agree to the conditions of all applicable State laws and regulations, which are incorporated herein by this reference, regarding retention and access requirements relating to all records relating to the Contract. The record retention policies of this agreement shall be consistent with the Federal Acquisition Regulations (FAR) Subpart 4.7 Contractor Records Retention except where they are in conflict with State laws and regulations.

The Contractor shall also agree to the following:

The Contractor and any of its Subcontractors shall maintain books, records, documents, and other evidence of accounting procedures and practices, which properly and sufficiently reflect all direct and indirect costs, invoiced in the performance of the Contract. The Contractor and its Subcontractors shall retain all such records for three (3) years after the final payment on the Contract. Records relating to any litigation matters regarding the Contract shall be kept for one (1) year following the termination of litigation, including all appeals if the litigation does not terminate within six (6) years from the date of expiration or termination of the Contract.

Upon prior notice and subject to reasonable time frames, all such records shall be subject to inspection, examination, audit and copying by personnel so authorized by the State and federal officials so authorized by law, rule, regulation or Contract, as applicable. During the term of this Contract, access to these items will be provided within Merrimack County of the State of New Hampshire, unless otherwise agreed by the State. Delivery of and access to such records will be at no cost to the State during the three (3) year period after the Contract term or six (6) year term following litigation. The Contractor shall include the record retention and review requirements of this section in any of its subcontracts.

The State agrees that books, records, documents, and other evidence of accounting procedures and practices related to the Contractor's cost structure and profit factors shall be excluded from the State's review unless the cost or any other material issued under the Contract is calculated or derived from these factors.

4.9 Accounting Requirements

The Contractor shall maintain an accounting system in accordance with generally accepted accounting principles. The costs applicable to the Contract shall be ascertainable from the accounting system.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

4.10 Background Checks

The State may, at its sole expense, conduct background screening of the Contractor personnel, identified and assigned. Background screening shall be completed before such personnel begin providing services. If any Contractor staff is unwilling to submit to the State's background screening, the Contractor staff shall be immediately replaced, subject to the provisions on the Contractor staff replacement in Section 4: *Contract Management* of this contract. In the performance of background screening, the State will comply with any State and federal laws to the extent that they apply to the State. The State acknowledges that the Contractor considers the results of such background screenings as the Contractor's confidential information. The State shall maintain the confidence of such background screening results in accordance with Section 13 of this Contract governing confidential information, unless required to release the information by court order.

5. CONTRACT DELIVERABLES

5.1 Deliverables

Notwithstanding any other provision of the Contract Documents, the Contractor shall provide the State with maintenance and enhancement services, and associated services implemented by qualified Contractor's Key Staff, working on projects as directed by The State Project Manager and The Contractor Project Manager as required under the Contract Documents.

5.2 Non-Software and Written Deliverables Review and Acceptance

After receiving written certification from Kyran that a Non-Software or Written Deliverable is final, complete, and ready for review, the State will review the Deliverable to determine whether it meets the Acceptance Criteria outlined in Exhibit A and the State will notify Kyran in writing of its Acceptance or rejection of the Deliverable within 10 business days. If the State rejects the Deliverable, the State shall notify Kyran, in detail, of the nature and class of the Deficiency and the Contractor must correct the Deficiency within ten (10) business days, or within the period identified in the Work Plan, as applicable. Upon receipt of the corrected Deliverable, the State will have ten (10) business days to review the corrected Deliverable and notify the Contractor of its Acceptance or rejection thereof with the option to extend the review period up to ten (10) additional business days. If Kyran has failed to correct the Deficiency within the allotted period of time, the State may, at its option, continue reviewing the Deliverable and require Kyran to continue until the Deficiencies are corrected, or immediately terminate the Contract, declare Kyran in default, and immediately pursue its remedies at law and in equity.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

5.3 System/Software Testing and Acceptance

System and Software Testing and Acceptance as required under and set forth in the Testing Plan and Exhibit F.

5.4 Failure to Accept or Reject a Deliverable

In the event that the State fails to accept or reject a Software Deliverable, Non-Software or Written Deliverable, or the System in the prescribed time frame therefore, then Kyran may invoke the Dispute Resolution procedure set forth herein as well as initiate the change order process as described in Section 10 of this Agreement.

Any delay caused by the State's failure to provide acceptance or rejection shall be treated in accordance with Section 9 of this Agreement.

6. SOFTWARE

6.1 VR-CMS Software and Documentation

Kyran shall provide the State Documentation as described in Exhibits D and L.

6.2 VR-CMS Software Support and Maintenance

Kyran shall provide the State with VR-CMS Software enhancements, maintenance and support services as described in Exhibit G.

6.3 Custom Software and Documentation

Kyran shall provide the State with Custom Software as required under the Contract, through State provided Engineering Change Requests (ECRs).

6.4 Custom Software Support and Maintenance

Kyran shall provide the State with Custom Software support and maintenance Services as required under the Contract and as described in Exhibit G.

7. WARRANTY

Kyran shall provide the Warranty and Warranty Services as required under the Contract and as set forth in Exhibit K.

8. SERVICES

Kyran shall provide the Services as required under the Contract Documents. All Services shall meet and perform in accordance with the Specifications.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

8.1 Administrative Services

Kyran shall provide the State with the Administrative Services as required under the Contract Documents, Exhibit D.

8.2 Implementation Services

Kyran shall provide the State with the Implementation Services as required under the Contract Documents, Exhibit E.

8.3 Testing Services

Kyran shall perform Testing Services for the State as required under the Contract Documents, Exhibit F.

8.4 Training Services

Kyran shall provide the State with Training Services as required under the Contract Documents, Exhibit L.

8.5 Maintenance and Support Services

Kyran shall provide the State with Maintenance and Support Services for the Software as required under the Contract Documents, Exhibit G.

9. WORK PLAN DELIVERABLE

The Work Plan shall include, without limitation, a detailed description of the Schedule, Tasks, Deliverables, Major Milestones, Task Dependencies, and Payment Schedule for each Engineering Change Request.

The initial Work Plan shall be a separate deliverable and is set forth in Exhibit I. Kyran shall update the Work Plan as necessary, to accurately reflect the status of the Project, including without limitation, the Schedule, Tasks, Deliverables, Major Milestones, Task Dependencies, and Payment Schedule of each Engineering Change Request. Any such updates must be approved by the State in writing, prior to final incorporation into the Exhibit I (Work Plan). The updated Exhibit I (Work Plan), as approved by the State, shall then be incorporated and considered part of the Contract by this reference.

Unless otherwise agreed in writing by the State, changes to the Exhibit I (Work Plan) shall not relieve Kyran from liability to the State for damages (subject to the limitation of liability) resulting from Kyran's failure to perform its obligations under the Contract, including without limitation, performance in accordance with the Schedule. In the event of a delay in the Schedule, Kyran must immediately notify the State in writing. The written notification will identify the nature of the

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

delay, i.e., specific actions or inactions of Kyran or the State causing the problem; its estimated duration period to reconciliation; specific actions that need to be taken to correct the problem; and the expected Schedule impact on the Project. In the event additional time is required by Kyran to correct Deficiencies, the Schedule shall not change unless previously agreed in writing by the State, except that the Schedule shall automatically extend on a day-to-day basis to the extent that the delay does not result from Kyran's failure to fulfill its obligation under the Contract. This shall be addressed through a change order and may impact both schedule and cost.

10. CHANGE ORDERS

The State may make changes or revisions within the scope of the Contract at any time by written Change Order. Within ten (10) business days of Kyran's receipt of the Change Order, Kyran shall advise the State, in detail, of any impact to cost (e.g., increase or decrease) or Schedule or Exhibit I (Work Plan).

Kyran may request a change within the scope of the Contract by written Change Order, detailing any impact on cost or Schedule. The State will attempt to respond within ten (10) business days. The State will be deemed to have rejected the Change Order if the parties are unable to reach an agreement in writing.

All Change Orders shall be subject to the Contract amendment process described in Section 13 of the Contract as determined to apply by the State.

11. INTELLECTUAL PROPERTY RIGHTS

11.1 Deliverables

For the purposes of this section, the term "Deliverables" shall mean information and the Deliverables, including, but not limited to, the Deliverables identified in Exhibit A (Deliverables), reports, documents, templates, studies, strategies, operating models, technical architectures, design ware, software objects, software programs, Custom Software, source code, object code, Specifications, documentation, abstracts and summaries thereof, and other work product and materials which are originated and prepared for the State (either independently or in concert with the State or third parties) during the course of Kyran's performance under the Contract. All right, title and interest in State Data shall remain with the State.

11.2 State's Title

Title, right, and interest (including all ownership and Intellectual Property rights) in the VR CMS Software shall remain with the State and/or the United States Department of Education. Kyran agrees that, in the event that Kyran infringes

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

State's intellectual property rights, the State may pursue all remedies against Kyran, notwithstanding any provision of this Contract, including the limitation of liability.

11.3 State's Business

The State's rights in such Deliverables shall be unrestricted.

11.4 Kyran's Materials

Subject to the provisions of this Contract, Kyran may develop for itself, or for others, materials that are competitive with, or similar to, the Deliverables. In accordance with the confidentiality provision of this Contract, Kyran shall not distribute any products containing or, while performing services disclose any State Confidential Information. However, Kyran shall be free to use its general knowledge, skills and experience, and any ideas, concepts, know-how, and techniques that are acquired or used in the course of its performance under this Contract, provided that such is not obtained as the result of the deliberate memorization of the Confidential Information by Kyran employees or third party consultants engaged by Kyran.

The parties agree that the general knowledge referred to herein may in no event include: records of grand juries and petit juries; records of parole and pardon boards; personal school records of pupils; records pertaining to internal personnel practices, financial information, test questions, scoring keys and other examination data use to administer a licensing examination, examination for employment, or academic examination and personnel, medical, welfare, library use, video tape sale or rental, and other files containing personally identifiable information that is private in nature.

11.5 Copyright

11.5.1 WWW Copyright and Intellectual Property Rights

All right, title and interest to the State WWW site, including copyright to all data and information, shall be and remain with the State. The State shall also have, to the fullest extent permitted by law, all rights to any user interfaces and computer instructions embedded within the user interfaces or WWW pages. All WWW pages and any other data or information shall, where applicable, display the State's copyright. All right, title and interest to Kyran's WWW site shall be and remain with Kyran.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

11.6 Custom Software Source Code

Kyran shall provide the State with a copy of the source code for the Custom Software, which shall be subject to the provisions set forth in Section 11.2.

11.7 Survival

This Section 11 shall survive the termination of the Contract.

12. USE OF STATE'S INFORMATION, CONFIDENTIALITY

12.1 Use of State's Information

In performing its obligations under the Contract, the Contractor may gain access to information of the State, including State Confidential Information. "State Confidential Information" shall mean any personally identifiable information of the State's employees or citizens or any other non-public information that is treated as confidential and identified as confidential (either in writing or orally) at the time of disclosure. The Contractor shall not use the State's Confidential Information except as directly connected to and necessary for the Contractor's performance under the Contract, unless otherwise permitted under the Contract.

12.2 Confidentiality of State's Information

The Contractor agrees to maintain the confidentiality of and protect from unauthorized use, disclosure, publication, and reproduction, all State Confidential Information that becomes available to the Contractor in connection with its performance under the Contract, regardless of its form. Subject to applicable federal or State laws and regulations, Confidential Information shall not include information which: (i) shall have other than become publicly available as a result of disclosure by the receiving party in breach hereof; (ii) was disclosed to the receiving party on a non-confidential basis from a source other than the disclosing party, which the receiving party believes is not prohibited from disclosing such information as a result of an obligation in favor of the disclosing party; (iii) is developed by the receiving party independently of, or was known by the receiving party prior to, any disclosure of such information made by the disclosing party; (iv) is disclosed with the written consent of the disclosing party. Any disclosure of the State's information shall require prior written approval of the State. The Contractor may disclose Confidential Information to the extent required by an order of a court of competent jurisdiction after it has provided the State with reasonable advance notice of such an order. The Contractor shall immediately notify the State if any request, subpoena or other legal process is served upon the Contractor regarding the State's information, and the Contractor shall cooperate with the State in any effort it undertakes to contest the subpoena or other legal

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

process. In the event of unauthorized use or disclosure of the State's information, the Contractor shall immediately notify the State, and the State may immediately pursue any remedy at law and in equity, including, but not limited to, injunctive relief.

12.3 Kyran's Confidential Information

Insofar as the Contractor seeks to maintain the confidentiality of its confidential information, the Contractor must clearly identify in writing the information it claims to be confidential. The Contractor acknowledges that the State is subject to the Right to Know law, RSA Chapter 91-A. The State shall maintain the confidentiality of the identified confidential information insofar as it is consistent with applicable state and federal laws or regulations, including but not limited to, RSA Chapter 91-A. In the event the State receives a request for the information identified by the Contractor as confidential, the State shall notify the Contractor and specify the date the State will be releasing the requested information. At the request of the State, the Contractor shall cooperate and assist the State with collection and review of the Contractor's information at no additional expense to the State. Any effort to prohibit or enjoin the release of the information shall be the Contractor's sole responsibility and at the Contractor's sole expense. If the Contractor fails to obtain a court order enjoining the disclosure, the State shall release the information on the date specified in the State's notice to the Contractor without any State liability to the Contractor.

12.4 Survival

This Section 12: *Use of State's Information, Confidentiality*, shall survive termination of the Contract.

13. GENERAL PROVISIONS

13.1 Conditional Nature of Contract

Notwithstanding any provision in the Contract to the contrary, all obligations of the State, including, without limitation, the continuance of payments, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments in excess of such available appropriated funds. In the event of a reduction or termination of those funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate the Contract immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the account identified in block 1.5 in the event funds in that account are reduced or unavailable.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

13.2 Compliance by the Contractor with Laws and Regulations: Equal Employment Opportunity

13.2.1 In connection with the performance of the Contract, the Contractor shall comply with all statutes, laws, regulations, orders of federal, State, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. The Contractor shall also comply with all applicable local, State and federal licensing requirements and standards necessary in the performance of the Contract.

13.2.2 During the term of the Contract, the Contractor shall not discriminate against employees or applicants for employment in violation of applicable State or federal laws, including but not limited to non discrimination because of race, color, religion, creed, age, sex, handicap or national origin and will take affirmative action to prevent such discrimination.

13.2.3 If the Contract is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issues to implement these regulations. The Contractor further agrees to permit the State or United States, access to any of the Contractor's pertinent books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and covenants and conditions of the Contract.

13.3 Regulatory/Governmental Approvals

Any contract award shall be contingent upon the Contractor's obtaining all necessary and applicable regulatory or other governmental approvals, including, but not limited to, final approval by the Governor and Executive Council.

13.4 Access /Cooperation

As applicable, and subject to the applicable laws and regulations, the State will provide the Contractor with access to all program files, libraries, personal computer-based systems, software packages, network systems, security systems, and hardware as required while completing the Contracted IT Services.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

The State will use reasonable efforts to provide approvals, authorizations, and decisions reasonably necessary to allow the Contractor to perform its obligations under the Contract.

13.5 Personnel

13.5.1 The performance of the Contractor's obligations under the Contract shall be carried out by the Contractor. The Contractor shall at its own expense provide all personnel, materials and resources required under the Contract and as necessary to perform the Contractor's obligations under the Contract.

13.5.2 The Contractor shall not hire, and shall permit no Subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the services, to hire any person who has a contractual relationship with the State, or who is a State officer or employee, elected or appointed.

13.5.3 The Contract Manager, or his successor, shall be the State's representative. In the event of any dispute governing the interpretation of the Contract, the Contracting Manager's decision shall represent the final position of the State.

13.6 Dispute Resolution

Prior to the filing of any formal proceedings with respect to a dispute (other than an action seeking injunctive relief with respect to intellectual property rights or Confidential Information), the party believing itself aggrieved (the "Invoking Party") shall call for progressive management involvement in the dispute negotiation by written notice to the other party. Such notice shall be without prejudice to the Invoking Party's right to any other remedy permitted by this Contract.

The parties shall use all reasonable efforts to arrange personal meetings and/or telephone conferences as needed, at mutually convenient times and places, between negotiators for the parties at the following successive management levels, each of which shall have a period of allotted time as specified below in which to attempt to resolve the dispute:

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

Dispute Resolution Responsibility and Schedule Table

<u>LEVEL</u>	<u>THE CONTRACTOR</u>	<u>THE STATE</u>	<u>CUMULATIVE ALLOTTED TIME</u>
Primary	Kyran Project Manager	State Project Manager (PM)	5 Business Days
First	Kyran Contract Manager	State Project Management Team (PMT)	10 Business Days
Second	Kyran CEO	State Contracting Officer (CO)	15 Business Days

The allotted time for the first level negotiations shall begin on the date the Invoking Party's notice is received by the other party.

13.7 Termination

13.7.1 Termination for Default

Unless otherwise provided in the Contract, the State shall provide the Contractor written notice of default, and the Contractor must cure the default within thirty (30) days ("Cure Period"). If the Contractor fails to cure the default within the Cure Period, the State may, at its sole discretion, terminate the Contract, declare the Contractor in default and pursue its remedies at law or in equity or both.

13.7.1.1 In the event the State declares the Contractor in default under any provision of the Contract, the State may, at a minimum, take any or all of the following actions:

13.7.1.1.1 Set off against any other obligations the State may owe to the Contractor, under this Contract;

13.7.1.1.2 Procure Services that are the subject of the Contract from another source and the Contractor shall be liable for damages up to the Contract price, including but not limited to (1) the cost difference between the original Contract price for the Services acquired from another source and (2) if applicable, all administrative costs directly

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

related to the replacement of the Contract, such as costs of competitive bidding, mailing, advertising, applicable fees, charges or penalties, and staff time costs, all of which shall be subject to the limitation of liability set forth in this Contract; and

13.7.1.2.3 Treat the Contract as breached and pursue any of its remedies at law or in equity, or both.

13.7.1.2 In the event of default by the State, the Contractor shall provide the State with written notice of default, and the State shall cure the default within thirty (30) days, unless otherwise extended by the Contractor.

13.7.1.3 No remedy conferred under the Contract Documents is intended to be exclusive of any other remedy, and each remedy is cumulative and in addition to every other remedy in the Contract Documents. The State's election or non-election of any or more remedies shall not constitute a waiver of its right to pursue other legally available remedies.

13.7.2 Termination for Convenience

13.7.2.1 The State may, at its sole discretion, terminate the Contract, in whole or in part, by thirty (30) days written notice to the Contractor. In the event of such termination for convenience, the State shall pay the Contractor the agreed upon price, if separately stated, for Deliverables for which Acceptance has been given by the State. Amounts for Services provided prior to the date of termination for which no separate price is stated will be paid, in whole or in part, generally in accordance with Exhibit B, *Price and Payment Schedule*, of the Contract.

13.7.2.2 During the thirty (30) day period, the Contractor shall wind down and cease its Services as quickly and efficiently as reasonably possible, without performing unnecessary Services or activities and by minimizing negative effects on the State from such winding down and cessation of Services.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

13.7.3 Termination for Conflict of Interest

13.7.3.1 The State may terminate the Contract by written notice if it determines that a conflict of interest exists, including but not limited to, a violation by any of the parties hereto of applicable laws regarding ethics in public acquisitions and procurement and performance of contracts.

13.7.3.2 In the event the Contract is terminated as provided above pursuant to a violation by the Contractor, the State shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of a default of the Contract by the Contractor.

13.7.4 Termination Procedure

13.7.4.1 Upon termination of the Contract, the State, in addition to any other rights provided in the Contract, may require the Contractor to deliver to the State any property, including without limitation, Software and Written Deliverables, for such part of the Contract as has been terminated.

13.7.4.2 After receipt of a notice of termination, and except as otherwise directed by the State, the Contractor shall:

- a. Stop work under the Contract on the date, and to the extent specified, in the notice;
- b. Promptly, but in no event longer than thirty (30) days after termination, terminate its orders and subcontracts related to the work which has been terminated and settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the State to the extent required, which approval or ratification shall be final for the purpose of this Section;
- c. Take such action as the State directs that is reasonable and customary under the circumstances, or as necessary to preserve and protect the property related to the Contract which is in the possession of the Contractor and in which the State has an interest;

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

- d. Transfer possession, as applicable, to the State and deliver in the manner, at the times, and to the extent directed by the State, any property which is required to be furnished to the State and which has been accepted or requested by the State; and
- e. Provide written certification to the State that the Contractor has surrendered to the State all said property.

13.8 Force Majeure

Neither the Contractor nor the State shall be responsible for delays or failures in performance resulting from events beyond the control of such party and without fault or negligence of such party. Such events shall include, but not be limited to, acts of God, strikes, lock outs, riots, and acts of War, epidemics, acts of Government, fire, power failures, nuclear accidents, earthquakes, and unusually severe weather.

13.9 Change of Ownership

In the event that the Contractor should change ownership for any reason whatsoever, the State shall have the option of continuing under the Contract with the Contractor or its successors or assigns for the full remaining term of the Contract; continuing under the Contract with the Contractor or its successors or assigns for such period of time as determined necessary by the State; or immediately terminating the Contract without liability to the Contractor, its successors or assigns.

13.10 The Contractor's Relation to the State

In the performance of the Contract, the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, worker's compensation or other emoluments provided by the State to its employees.

13.11 Assignment, Delegation and Subcontracts

13.11.1 The Contractor shall not assign, delegate, subcontract, or otherwise transfer any of its interest, rights or duties under the Contract without the prior written consent of the other party. Such consent will not be unreasonably withheld. Any attempted transfer, assignment, delegation or other transfer made without the State's prior written consent shall be null and void.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

13.11.2 The Contractor shall remain wholly responsible for performance of the entire Contract regardless of whether assignees, delegates, Subcontractors or other transferees ("Successor") are used, unless otherwise agreed to in writing by the State and the Successor fully assumes in writing any and all obligations and liabilities under the Contract. In the absence of a written assumption of full obligations and liabilities of the Contract, any permitted assignment, delegation, subcontract or other transfer shall neither relieve The Contractor of any of its obligations under the Contract nor shall it affect any remedies available to the State against the Contractor that may arise from any event of default of the provisions of the Contract. The State will consider the Contractor to be the sole point of contact with regard to all contractual matters, including payment of any and all charges resulting from the Contract.

13.12 Indemnification

13.12.1 General

The Contractor shall indemnify, defend and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of or relating to personal injury, bodily injury or death of any person or damage to real and/or tangible property caused by the acts or omissions of the Contractor, its personnel or agents during the course of performance of the Services hereunder.

13.12.2 Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State.

13.12.3 Survival

This Section 13.12, *Indemnification*, shall survive termination of the Contract.

13.13 Liability

13.13.1 State

In no event, shall the State be liable for any consequential, special, indirect, incidental, punitive, or exemplary damages. Subject to applicable laws and regulations and the Contractor, the State's liability

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

to the Contractor under the Contract shall not exceed two times (2X) the total Contract price, excluding maintenance fees.

13.13.2 The Contractor

Subject to applicable laws and regulations, in no event shall the Contractor be liable for any consequential, special, indirect, incidental, punitive or exemplary damages and the Contractor's liability to the State shall not exceed two times (2X) the total Contract price, excluding maintenance fees, except as otherwise provided in Section 13.12 *Indemnification*, herein.

13.13.3 State's Immunity

Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant shall survive termination or Contract conclusion.

13.13.4 Survival

This Section 13.13 *Liability*, shall survive termination of the Contract or Contract conclusion.

13.14 Insurance

13.14.1 The Contractor Insurance Requirement

The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any Subcontractor or assignee to obtain and maintain in force, including for the benefit of the State, the following insurance:

- a. Comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per incident; and
- b. The policies shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. Each policy shall contain a clause prohibiting cancellation or modifications of the policy earlier than ten (10) days after written notice thereof has been received by the State.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

13.15 Waiver of Event Of Default

No failure by either party to enforce any provisions hereof after any event of default shall be deemed a waiver of its rights with regard to that event, or any subsequent event. No express failure of any default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other default on the part of the Contractor.

13.16 Notice

Any notice by a party to the other party shall be deemed to have been duly delivered or given at the time of mailing by registered mail, postage prepaid, in a United States Post Office addressed to the parties at the following addresses.

TO THE CONTRACTOR:

Kyran Research Associates, Inc.

127 John Clarke Road

Middletown, RI 02842

Tel: (401) 849-7734

TO STATE:

State of New Hampshire

Department of Education

21 South Fruit Street Suite 20

Concord, NH 03301

Tel: (603) 271-3471

13.17 Amendment

The Contract may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

13.18 Construction of Contract and Terms

The Contract shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successor and assigns. Any action may only be brought in the State of New Hampshire, Merrimack County Superior Court.

13.19 Third Parties

The parties hereto do not intend to benefit any third parties and the Contract shall not be construed to confer any such benefit.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

13.20 Headings

The headings in the Contract shall not be held to explain, modify, amplify or aid in the construction or interpretation of the Contract provisions, and are for reference purposes only.

13.21 Exhibits

The Exhibits referred to in and attached to the Contract are made a part of it as if fully included in the text.

13.22 Survival

The terms, conditions and warranties contained in the Contract that by their context are intended to survive the completion of the performance, cancellation or termination of the Contract shall so survive. Moreover, the terms of Section 4.8 (*Records Retention and Access Requirements*), Section 4.9 (*Accounting Requirements*), Section 12 (*Confidential Information*) and Section 13.12 (*Indemnification*) shall survive the termination of the Contract.

13.23 Entire Contract

The Contract Documents, which may be executed in a number of counterparts, each of which shall be deemed an original, constitute the entire Contract and understanding between the parties, and supersede all prior Contracts and understandings.

14. DEFINITIONS

Capitalized terms used in the Contract will have the meanings given below:

Acceptance	A notice from the State to the Contractor that, as applicable, Acceptance Testing or Review has been satisfied.
Acceptance Test Plan	An Acceptance Test Plan document describes in detail the series of tests and training to be performed with corresponding Acceptance Criteria and how the tests will be performed.
Agency	Agency of the State.
Budget Fiscal Year	The New Hampshire budget fiscal year that extends from July 1 st through June 30 th of the following calendar year.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

Certification	The Contractor's written certification and full supporting and written documentation (including without limitation test results as applicable) that the Contractor has completed development of the Deliverable and certified its readiness for applicable Acceptance Testing or Review.
COTS	Commercial Off-the-Shelf Software applications.
Contract Conclusion	Refers to the conclusion of Contracts, for any reason, including but not limited to, the successful Contract completion, termination for convenience, or termination for default.
Contractor	The Contracted Vendor Company that will perform the duties and specifications of the RFP. (Contractor's address info)
Custom Software	All software provided by the Contractor under the Contract Documents including but not limited to all extensions and interfaces.
Days	Calendar days unless otherwise indicated.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

Deficiency/Deficiencies	A failure, deficiency or defect in a Deliverable resulting in a Deliverable, the Software, or the System, not conforming to its Specifications. Class A Deficiency – Software - Critical, does not allow System to operate, no work around, demands immediate action; Written Documentation - missing significant portions of information or unintelligible to State; Non Software - services were inadequate and require re-performance of the service. Class B Deficiency – Software - important, does not stop operation and/or there is a work around and user can perform tasks; Written Documentation - portions of information are missing but not enough to make the document unintelligible; Non Software - services were deficient, require reworking, but do not require re-performance of the service. Class C Deficiency – Software - minimal, cosmetic in nature, minimal effect on System, low priority and/or user can use System; Written Documentation - minimal changes required and of minor editing nature; Non Software - services require only minor reworking and do not require re-performance of the service.
Deliverable	Non-Software, Software and Written Deliverables
Deployment	A contracted grouping of Deliverables including but not limited to Software, Services, and Warranties scheduled for implementation.
Documentation	All operations, technical, user and other manuals used in conjunction with the System and Software, in whole and in part.
DOE	Department of Education
Enhancements	Updates, additions, modifications to, and new releases for the Software, and all changes to the Documentation as a result of Enhancements, including, but not limited to, Enhancements produced by Change Orders.
Function	Capabilities that provide a business process of the System.
Governor and Council	The New Hampshire Governor and Executive Council.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

HIPAA	The Health Insurance Portability and Accountability Act of 1996.
Information Technology (IT)	Reference for the tools and processes used for the gathering, storing, manipulating, transmitting, sharing, and sensing of information including, but not limited to, data processing, computing, information systems, telecommunications, and various audio and video technologies.
Letter of UAT Acceptance	A letter from the State notifying the Contractor of the State's Contract Completion of User Acceptance Testing.
Letter of Final System Acceptance	A Letter from the State notifying the Contractor of the State's acceptance of the total System.
Module	A module is a stand-alone software segment of the System that may contain one or more System Functionalities.
Non Software Deliverables	Deliverables that are not Written or Software Deliverables
Normal Business Hours	8:00 AM to 4:30 PM EST, Monday through Friday, excluding State of New Hampshire holidays. State holidays are: New Year's Day, Martin Luther King Day, President's Day, Memorial Day, July 4th, Labor Day, Veterans Day, Thanksgiving Day, the day after Thanksgiving Day, and Christmas Day.
Not to Exceed (NTE)	Contract Not To Exceed total 5-year price
Office of Information Technology (OIT)	The Office of Information Technology established under RSA 4-D within the Office of the Governor.
PMT	Project Management Team: Consisting of the State Project Manager, Service Delivery Unit Director, DOE IT Manager, Business Administrator and State Contract Manager.
Project	The planned undertaking regarding the subject matter of this Contract and the activities of the parties related hereto.
Proposal	The submission from a Contractor in response to the RFP.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

Schedule	The dates described in the Work Plan for deadlines for performance of Services and other Project events and activities.
Software	All Custom Software and COTS Software provided by the Contractor under the Contract.
Solution	The Solution consists of the total solution which includes, without limitation, Software and Services, addressing the requirements and terms of the Specifications.
Specifications	The written specifications that set forth the requirements which include, without limitation, this RFP, the Proposal, the Contract, any performance standards, Documentation, applicable state and federal policies, laws and regulations, State technical standards, subsequent State-approved Deliverables, and other specifications and requirements described in the Contract Documents. The Specifications are, by this reference, made a part of the Contract as though completely set forth herein.
State	The State of New Hampshire, acting through the NH Department of Education - Division of Adult Learning and Rehabilitation.
State's Confidential Information	State's information regardless of its form that is not subject to public disclosure under applicable state and federal laws and regulations, including but not limited to RSA Chapter 91-A. Examples include but are not limited to the following: - Records of grand and petit juries; - Records of parole and pardon boards; - Personal school records of pupils; - Records pertaining to internal personnel practices, commercial, or financial information, test questions, scoring keys and other examination data used to administer a licensing examination, examination for employment, or academic examinations and personnel, medical, welfare, library user, video tape sale or rental, and any other files whose disclosure would constitute invasion of privacy.

**State of New Hampshire
NH Department of Education
VR-CMS Enhancement and Maintenance Contract
Contract 2006-012
Statement of Work (SOW)**

State Data	Any information contained within State systems in electronic or paper format.
State Fiscal Year (SFY)	The New Hampshire State Fiscal Year extends from July 1 st through June 30 th of the following calendar year.
Subcontractor	A person, partnership, or company not in the employment of or owned by The Contractor, which is performing Services under this Contract under a separate Contract with or on behalf of The Contractor.
System	All Software, specified hardware, and interfaces and extensions, integrated and functioning together in accordance with the Specifications.
TBD	To Be Determined.
UAT	User Acceptance Tests
VR-CMS	Vocational Rehabilitation's Case Management System.
Work Plan	The plan and delineation of tasks, activities and events to be performed and Deliverables to be produced under the Project.