



**DEPARTMENT OF PROCUREMENT SERVICES
NON-COMPETITIVE REVIEW BOARD (NCRB) APPLICATION**

Complete this cover form and the **Non-Competitive Procurement Application Worksheet** in detail. Refer to the page entitled **"Instructions for Non-Competitive Procurement Application"** for completing this application in accordance with its policy regarding NCRB. Complete "other" subject area if additional information is needed. Subject areas must be fully completed and responses merely referencing attachments will not be accepted and will be immediately rejected.

Department DPS	Originator Name Benjamin Ho	Telephone 4-4921	Date 10/26/16	Signature of Application Author
Contract Liaison Steve Loboda	Email Contract Liaison steve.loboda@cityofchicago.org	Telephone 4-7960		

List Name of NCRB Attendees/Department
Carleton Nolan/ DoIT
Benjamin Ho/DPS
Monica Jimenez/DPS

Request NCRB review be conducted for the product(s) and/or service(s) described herein.
Company: B2GNow

Contact Person: Frank Begalke	Phone: 602-325-9277	Email: feb@b2gnow.com
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Project Description: Amendment to PO#18455 for Vendor Limit Increase and Time Extension for Certification & Compliance (C2) System

This is a request for:

New Contract

Amendment / Modification

Contract Type

Blanket Agreement Term: ____ (# of mo)

Standard Agreement

Type of Modification

Time Extension Vendor Limit Increase Scope Change

Contract Number: **18455**

Specification Number: **68442**

Modification Number: **3**

Department Request Approval	Recommended Approval
DATE: 11/29/16	DATE: 12-8-16
DEPARTMENT HEAD OR DESIGNEE	BOARD CHAIRPERSON
PRINT NAME: _____	PRINT NAME: Rich Butler

(FOR NCRB USE ONLY)

Recommend Approval/Date: **12-8-16**

Return to Department/Date: _____

Rejected/Date: _____

Approved Rejected

CHIEF PROCUREMENT OFFICER

DATE: **12/13/16**



**DEPARTMENT OF PROCUREMENT SERVICES
NON-COMPETITIVE REVIEW BOARD (NCRB) APPLICATION
JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT WORKSHEET**

All applicable information on this worksheet must be addressed using each question found on the "Instructions for Non-Competitive Procurement Application" in this application.

Justification for Non-Competitive Procurement Worksheet

PROCUREMENT HISTORY

DPS identified a need for an application to manage the Department's Certification and Compliance Data. A Request for Services ("RFS") was issued under the City's MCAs for IT Management. The selected vendor, Los Alamos Technical Associates, proposed with B2GNow software. LATA's implementation task order ended and the City stayed with the B2GNow software. Please see the attached for more details.

ESTIMATED COST

Increase VLI by \$303,713.75 from \$1,985,418.84 to \$1,985,418.84 to cover two year extension period. See attached "C2 Vendor Limit Increase Calculation"

SCHEDULE REQUIREMENTS

Option to extend needs to be exercised by 12/14/16, but otherwise no special requirements.

EXCLUSIVE OR UNIQUE CAPABILITY

B2GNow is the owner of the proprietary software code which is integral to the program selected by the City through a competitive evaluation process to best meet the needs of the requirement. Please see attached.

OTHER

None

Compliance and Certification (C2) VLI/Time Extension

Justification for Non Competitive Procurement

Procurement History

1. **Describe the requirement and how it evolved from initial planning to its present status.**

The Department of Procurement Services identified a need for an application to manage the Department's Certification and Compliance data. A Request for Services ("RFS") was issued under the City's Master Consulting Agreements for IT Management. After careful review and evaluation of the proposals, a task order was issued to the selected vendor, Los Alamos Technical Associates, Inc. ("LATA").

LATA's proposal included a hosted solution performed by their subcontractor, ASKREPLY, Inc. d/b/a B2GNow, the company that owns the proprietary code that is being used for the C2 program. LATA's proposed solution, including B2GNow, was evaluated as part of a competitive evaluation process and selected as best qualified to meet the City's requirement. The City's approved task order agreement with LATA contained a provision that annual hosted service will be contracted directly between the City and B2GNow.

B2GNow retains ownership of the code and will continue to host the program. DPS is working with B2GNow to enhance their standard code to meet our requirements. In addition, B2GNow has existing contracts with numerous other government and private entities, and any benefits given to these other entities in the future will also be made available to the City.

2. **Is this a first time requirement or a continuation of previous procurement from the same source?**

This is a continuation of a previous procurement from the same source.

3. **Explain attempts made to competitively bid the requirement.**

Through a competitive evaluation process, the City selected B2GNow as part of the winning proposal submitted by LATA as best qualified to meet the City's requirement. The City's agreement with LATA (including the services provided by B2GNow as LATA's subcontractor) has expired and the City has a direct contract agreement with B2GNow for the hosted solution. This requirement is not suitable for competitive bidding because of the proprietary nature of the service and the necessity for ongoing hosting by B2GNow.

4. **Describe all research done to find other sources.**

Because this is a proprietary code and hosting agreement, research does not apply.

5. **Explain future procurement objectives. Is this a one-time request or will future requests be made for doing business with the same source?**
This request is for an amendment to the existing hosting and support contract. This is a one time request to exercise the last option on the contract.
6. **Explain whether or not future competitive bidding is possible. If not, why not?**
At least one other vendor who provides similar software has been identified. An RFP will be prepared in the future.

Estimated Cost

1. **What is the estimated cost for this requirement? What is the funding source?**
See Attached C2 VLI Calculation.
2. **What is the estimated cost by fiscal year, if the job project or program covers multiple years?**
See Attached C2 VLI Calculation.
3. **Explain the basis for estimating the cost and what assumptions were made and/or data used (i.e. budgeted amount, previous contract price, current catalog or cost proposal from firms solicited, engineering or in-house estimate, etc.).**
The estimate is based on past and projected usage, applying the contract rates.
4. **Explain whether the proposed Contractor or the City has a substantial dollar investment in original design, tooling or other factors which would be duplicated at City expense if another source was considered. Describe cost savings or other measurable benefits to the City which may be achieved.**
B2GNow is the owner of this proprietary code, and the sole source for procuring it. Other proposals were considered during the competitive evaluation process and found to be less qualified. Requirements gathering and specification for this report are nearly identical to a completed custom awards report, including specified sorting and grouping which will minimize the development time for the custom payments report.
5. **Explain what negotiation of price has occurred or will occur. Detail why the estimated cost is deemed reasonable.**
N/A

Schedule Requirements

7. Explain how the schedule was developed and at what point the specific dates were known.
N/A
2. Is lack of drawings and/or specifications a constraining factor to competitive bidding? If so, why is the proposed Contractor the only person or firm able to perform under these circumstances? Why are the drawings and specifications lacking? What is the lead time required to get drawings and specifications suitable for competition? If lack of drawings and specifications is not a constraining factor to competitive bidding explain why only one person or firm can meet the required schedule.
N/A
3. Outline the required schedule by delivery or completion dates and explain the reasons why the schedule is critical.
N/A
4. Describe in detail what impact delays for competitive bidding would have on City operations, programs, costs and budgeted funds.
N/A

Exclusive or Unique Capability

1. If contemplating hiring a person or firm as a Professional Service other factors make this person or firm exclusive or uniquely qualified for the project. Attach a copy of cost proposal and scope of services.
N/A.
2. Does the proposed firm have personnel considered unquestionably predominant in the particular field?
Yes.
3. What prior experience of a highly specialized nature does the person or firm exclusively possess that is vital to the job, project or program? B2GNow is the owner of the proprietary code which is integral to the program selected by the City through a competitive evaluation process to best meet the needs of the requirement.
4. What technical facilities or test equipment does the person or firm exclusively possess of a highly specialized nature which is vital to the job? The competitively selected program is hosted remotely by B2GNow through their facility in Phoenix.

5. What other capabilities and/or capacity does the proposed firm possess which is necessary for the specific job, project or program which makes them the only source who can perform the work within the required time schedule without unreasonable costs to the City?

B2GNow is the owner of the code and no other vendor has access to this code.

6. If procuring products or equipment, describe the intended use and explain any exclusive or unique capabilities, features and/or functions the items have which no other brands or models, etc. possess. Is compatibility with existing equipment critical from an operational standpoint? Explain why.

This program was compared with all other proposals received and after careful evaluation, selected as best meeting the needs of the City for this requirement.

7. Is competition precluded because of the existence of patent rights, copyrights, trade secrets, technical data, or other proprietary data? Attach documentation verifying such.

N/A

8. If procuring replacement parts and/or maintenance services, explain whether or not replacement parts and/or services can be obtained from any other sources? If not, is the proposed firm the only authorized or exclusive dealer/distributor and/or service center? If so, attach letter from manufacturer.

N/A

MBE/WBE Compliance Plan

1. All submissions must contain detailed information about how the proposed firm will comply with the requirements of the City's Minority and Women Owned Business program. All submissions must include a complete C-1 and D-1 form, which is available on the Procurement Services page on the City's intranet site.

This is a No Stated Goals amendment.

Other

1. Explain other related considerations and attach all applicable supporting documents (an approved Information Technology Strategy Committee (ITSC) form, an approved Request for Individual Contract Services form, etc.)

N/A

C2 Vendor Limit Increase Calculation
2017-2018

Paid to Date (10-14-2016)	1,242,418.84
Remainder of 2016	35,000.00
Estimated 2017 Software licensing/maintenance	275,000.00
Estimated 2018 Software licensing/maintenance	283,000.00
Anticipated Task Orders - 2017 & 2018	150,000.00
Total Projected Spend	1,985,418.84
Less Current Vendor Limit	1,681,705.09
VLI:	303,713.75

Project Checklist

Attach required forms for each procurement type and detailed scope of services and/or specifications and forward original documents to the Chief Procurement Officer; City Hall, Room 806.

Date:
October 26, 2016

Department Name:
Procurement Services

Requisition No: 140362 **Specification No:** 68422

PO No: 18455 **Modification No:**

Contract Liaison:
Steve Loboda

Telephone:
4-7960

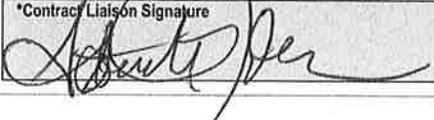
Email:
steve.loboda@cityofchicago.org

Project / Program Manager:
Benjamin Ho

Telephone:
4-4921

Email:
benjamin.ho@cityofchicago.org

For blanket agreements, original or lead department must consult with other potential departments who may want to participate on the blanket agreement. If grant funded, attach copy of the approved grant application and other terms and conditions of the funding source. **Note:** 1) **Funding:** Attach information if multiple funding lines; 2) **Individual Contract Services:** Include approval form signed by Department Head and OBM; 3) **ITGB:** IT project valued at \$100,000.00 or more, attach approval transmittal sheet.

***Contract Liaison Signature**


***By signing this form, I attest that all information provided is true and accurate.**

Project Title:

Project Description:
Amendment to PO#18455 for Vendor Limit Increase and Time Extension for Certification & Compliance (C2) system

Funding:

Corporate Bond Enterprise Grant Other:

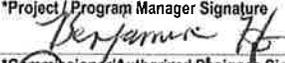
IDOT/Transit IDOT/Highway FHWA FTA FAA

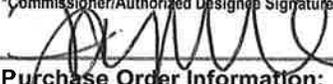
LINE	FY	FUND	DEPT	ORGN	APPR	ACTV	PROJECT	RPTG	ESTDOLLAR AMOUNT
	016	0B24	35	2005	0149				\$150,000
	016	0100	06	2005	0149	220149			\$153,713

Check One:

New Contract Request

***By signing below, I attest the estimates provided for this contract are true and accurate.**

***Project / Program Manager Signature**


***Commissioner/Authorized Designee Signature**


Purchase Order Information:

Contract Term (No. of Months): 24 months

Extension Options (Rate of Recurrence):

Estimated Spend/Value: \$303,713.00

Grant Commitment / Expiration Date:

Pre-Bid/Submittal Conference: Yes No

Mandatory Site Visit

Purchase Order Type:

Blanket/Purchase Order (DUR)

Master Consultant Agreement (Task Order)

Standard/One-Time Purchase

Procurement Method:

Bid RFP RFQ RFI

Small Order

Special Approvals Required:

Emergency

Non-Competitive Review Board (NCRB)

Request for Individual Contract Services

Information Technology Governance Board (ITGB)

Modification or Amendment

Modification Information:

PO Start Date: 12/15/2016

PO End Date: 12/14/2018

Amount (Increase/Reduction):

MBE/WBE/DBE Analysis: (Attach MBE/WBE/DBE Goal Setting Memo)

Full Compliance Contract Specific Goals

No Stated Goals Waiver Request

Contract Type:

Architect Engineering Commodity Construction JOC SBI

Professional Services Revenue Generating Vehicle & Heavy Equipment

Work Service Joint Procurement Reference Contract

Modification/Amendment Type:

Time Extension Scope Change/Price Increase /Additional Line Item(s)

Vendor Limit Increase Requisition Encumbrance Adjustment

Other (specify):

Risk Management / EDS

Insurance Requirements (included) Yes No

EDS Certification of Filing (included) Yes No

Vendor Info:

Name: B2GNow

Contact: Frank Begalke

Address: 5025 N. Central Ave. #494, Phoenix, AZ 85012

E-mail: feb@b2gnow.com

Phone: 602-325-9277



DEPARTMENT OF PROCUREMENT SERVICES
CITY OF CHICAGO

DATE: October 26, 2016

TO: Jamie L. Rhee
Chief Procurement Officer

FROM: Benjamin Ho *Benjamin Ho*
Deputy Procurement Officer

SUBJECT: **REQUEST FOR VENDOR LIMIT INCREASE & TIME
EXTENSION
CURRENT PO NUMBER: 18455
CURRENT SPECIFICATION NUMBER: 68442
VENDOR: ASKREPLY, INC. (DBA/B2GNOW)**

The Department of Procurement Services (DPS) requests permission to initiate an amendment to the existing maintenance and support agreement (PO # 18455) with B2GNow, the contractor for our hosted Certification and Compliance (C2) system. Utilization of Minority-Owned, Women-Owned and Disadvantaged-Owned Business Enterprises (MWDDBE) is a critical part of the City of Chicago Procurement process. The certification and awarding of contracts to MWDDBE firms as primes and/or subcontractors is managed, tracked and reported via the C2 system. C2 utilizes B2GNow's Diversity Management System, which is a proprietary system that has been developed exclusively by B2GNow and is hosted exclusively by B2GNow. No other company is qualified, authorized, or able to provide the software and services for the C2 system. The system has been in use at the City since December 15, 2008.

For the time extension, DPS will exercise the last option to extend for two years provided in the contract for the period December 15, 2016 to December 14, 2018. During this time, DPS will develop an RFP to solicit competitive proposals for a vendor for a replacement contract.

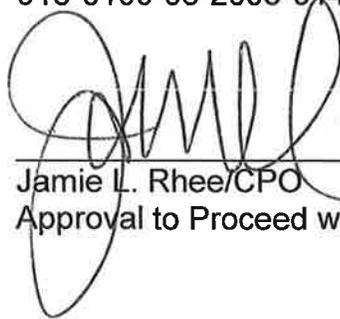
The vendor limit increase of \$303,713.75 covers anticipated maintenance and support and anticipated additional work for enhancements and special projects through the extension period. DoIT pays the annual software maintenance/support fees and concurs in the vendor limit increase and time extension. DoIT's email of concurrence is attached.

Attached are the NCRB Justification Form; scope of services; DPS Checklist and all relevant forms and supporting documentation required for a Non Competitive Procurement modification. If you concur with this request, please sign this memo and return the entire package to me to continue processing.

Procurement Type: 24 month Time Extension
and Vendor Limit Increase

Duration: 2 years from 12/15/2016 to 12/14/2018

Funding: 016-0B24-35-2005-0149 - \$150,000
016-0100-06-2005-0149 - \$153,713



Jamie L. Rhee/CPO
Approval to Proceed with VLI/Time Extension NCRB



3225 N. Central Avenue, Suite 120
Phoenix, AZ 85012
Voice: 602-325-9277
Fax: 866-892-2913

October 13, 2016

City of Chicago
Attn: Ms. Felicia Warner
121 N. LaSalle
Chicago, IL 60602

Re: Sole Source Justification for last contract option for PO #18455

Dear Ms. Warner:

Thank you for contacting us in regards to continuation of service for the City's B2Gnow Diversity Management System; also know as "C2".

The B2Gnow Diversity Management System is a proprietary system that has been developed exclusively by B2Gnow and is hosted exclusively by B2Gnow. No other company is qualified, authorized, or able to provide software and service B2Gnow Diversity Management System. As such, the software, service, and any enhancements or customizations must be provided by B2Gnow's team.

We look forward to our continued partnership with the City of Chicago. If you have any questions regarding B2Gnow, please don't hesitate to contact me directly at 602-325-9277.

Best Regards,

A handwritten signature in black ink that reads 'Frank Begalke'. The signature is written in a cursive, flowing style.

Frank Begalke
Chief Operating Officer
AskReply, Inc. (dba B2Gnow)



CERTIFICATE OF FILING FOR
CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT

EDS Number: 96108
Certificate Printed on: 10/13/2016

Date of This Filing:10/13/2016 04:17 PM
Original Filing Date:10/13/2016 04:17 PM

Disclosing Party: AskReply, Inc.
Filed by: Frank Begalke

Title:Chief Operating Officer

Matter: Amendment for C2 Hosted Services
Applicant: AskReply, Inc.
Specification #: 68442
Contract #: 18455

The Economic Disclosure Statement referenced above has been electronically filed with the City. Please provide a copy of this Certificate of Filing to your city contact with other required documents pertaining to the Matter. For additional guidance as to when to provide this Certificate and other required documents, please follow instructions provided to you about the Matter or consult with your City contact.

A copy of the EDS may be viewed and printed by visiting <https://webapps1.cityofchicago.org/EDSWeb> and entering the EDS number into the EDS Search. Prior to contract award, the filing is accessible online only to the disclosing party and the City, but is still subject to the Illinois Freedom of Information Act. The filing is visible online to the public after contract award.



5025 N. Central Avenue, #494
Phoenix, AZ 85012
Voice: 602-325-9277
Fax: 866-892-2913

October 13, 2016

City of Chicago
Attn: Ms. Felicia Warner
121 N. LaSalle
Chicago, IL 60602

Re: No Stated Goals Justification for Amendment to PO # 18455

Dear Ms. Warner:

Thank you for contacting us in regards to amending our existing contract for an additional year of annual service fee for the City's B2Gnow Diversity Management System; also know as "C2".

We respectfully request "No Stated Goals" on this proposed amendment, as there is currently no opportunity for MWBE participation within the existing scope. The B2Gnow Diversity Management System is a proprietary system that has been developed exclusively by B2Gnow and is hosted exclusively by B2Gnow. No other company is qualified, authorized, or able to provide hosting or support of the B2Gnow Diversity Management System. As such, the services included in the annual service fee must be completed exclusively by B2Gnow's technical team located in Phoenix, AZ.

We look forward to assisting the City of Chicago with their future needs. If you have any questions regarding B2Gnow, please don't hesitate to contact me directly at 602-325-9277.

Best Regards,

A handwritten signature in black ink that reads "Frank Begalke". The signature is written in a cursive, flowing style.

Frank Begalke
Chief Operating Officer
AskReply, Inc. (dba B2Gnow)



DEPARTMENT OF PROCUREMENT SERVICES
CITY OF CHICAGO

DATE: October 26, 2016

TO: Jamie L. Rhee
Chief Procurement Officer

FROM: Benjamin Ho *Benjamin Ho*
Deputy Procurement Officer

SUBJECT: **CONCURRENCE WITH NO-STATED GOALS
REQUEST FOR VENDOR LIMIT INCREASE & TIME
EXTENSION
CURRENT PO NUMBER: 18455
CURRENT SPECIFICATION NUMBER: 68442
VENDOR: ASKREPLY, INC. (DBA/B2GNOW)**

The Department of Procurement Services (DPS) concurs with the no-stated goals request made by B2GNow in their attached letter dated October 13, 2016 for the vendor limit increase and time extension for PO # 18455 for our hosted Certification and Compliance (C2) system. In support of this concurrence, an email from Monica Jimenez, Deputy Procurement Officer, Compliance unit, is attached.

Ho, Benjamin

From: Warner, Felicia
Sent: Wednesday, October 19, 2016 1:24 PM
To: Ho, Benjamin
Subject: FW: Justification Letter

From: Jimenez, Monica
Sent: Wednesday, October 19, 2016 1:20 PM
To: Warner, Felicia
Subject: RE: Justification Letter

Good to go!

From: Warner, Felicia
Sent: Tuesday, October 18, 2016 12:47 PM
To: Jimenez, Monica
Subject: FW: Justification Letter
Importance: High

Hi Monica,

Please review the M/WBE Compliance plan and provide your approval and feedback. We are trying to get this submitted for NCRB review before next deadline.

Thanks
Felicia

From: Frank Begalke [<mailto:feb@b2gnow.com>]
Sent: Thursday, October 13, 2016 4:34 PM
To: Warner, Felicia; Risa Bennett
Cc: Ho, Benjamin
Subject: Re: Justification Letter

Felicia,

Per your request, attached is the EDS Certificate, updated Sole Source letter, and "No Stated Goals" letter.

The insurance documents will get send to you in a separate email.

Please review and let me know if you need anything else.

Thank you!

Frank Begalke
Chief Operating Officer
Feb@b2gnow.com

B2Gnow
<http://www.b2gnow.com>
Diversity Management Software

tel: 602-325-9277
fax: 866-892-2913

From: "Warner, Felicia" <Felicia.Warner@cityofchicago.org>
Date: Thursday, October 13, 2016 at 9:34 AM
To: Risa Bennett <risa.bennett@b2gnow.com>, Frank Begalke <feb@b2gnow.com>
Cc: "Ho, Benjamin" <Benjamin.Ho@cityofchicago.org>
Subject: RE: Justification Letter

Good morning Risa,

Attach you would find a updated copy of the justification letter you provided to us. We want to ensure the contract extension process goes smoothly as possible and so, some things were removed and added. Please review and provide revised copy. Also, we would need the following:

1. A "No Stated Goal Letter." The same verbiage that was used in the last letter would be acceptable.
2. Provide us a copy of your new EDS certificate.
3. Provide a copy of your organization insurance certificate

Please provide this information as soon as possible.

Thanks
Felicia

From: Risa Bennett [<mailto:risa.bennett@b2gnow.com>]
Sent: Monday, September 26, 2016 1:48 PM
To: Warner, Felicia; 'Frank Begalke'
Cc: Ho, Benjamin
Subject: RE: Justification Letter

Felicia: The justification letter is attached. Please let us know if you need anything else. Thank you for the opportunity to continue to work together.

Risa Bennett

Account Director
risa.bennett@b2gnow.com

From: Warner, Felicia [<mailto:Felicia.Warner@cityofchicago.org>]
Sent: Monday, September 26, 2016 10:51 AM
To: Frank Begalke <feb@b2gnow.com>
Cc: Risa Bennet (risa.bennett@b2gnow.com) <risa.bennett@b2gnow.com>; Ho, Benjamin <Benjamin.Ho@cityofchicago.org>
Subject: Justification Letter

Good morning Frank,

It is my understanding that we are coming upon the end of this contract (December) and we would like to start the process of providing the proper paper for an extension. With that being said, please provide me with revised copy of the justification letter.

Thanks
Felicia

This e-mail, and any attachments thereto, is intended only for use by the addressee(s) named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of this e-mail (or the person responsible for delivering this document to the intended recipient), you are hereby notified that any dissemination, distribution, printing or copying of this e-mail, and any attachment thereto, is strictly prohibited. If you have received this e-mail in error, please respond to the individual sending the message, and permanently delete the original and any copy of any e-mail and printout thereof.

EXHIBIT 1

SCOPE OF SERVICES

The hosted Software will be supported by the Contractor as defined herein. The support includes telephone and email support. The level of support required will be defined as the number of users and their frequency of access is defined. This is defined in the requirements phase as the modules and the functionality are defined. The access by thousands of vendors to update their information, for example, may require more support than if the process was not automated. The staffing level will be defined to achieve a rapid response and resolution of questions that may arise.

The hosted Software will include the following:

1. Software license to Diversity Management Software (DMS)
2. Software maintenance
3. Software upgrades and software bug fixes
4. Hardware and operating software at Contractor hosted locations
5. Software hosting and connectivity via the internet (world wide web)
6. First level email support for vendors (username/password notices, system access)
7. Email support for Department staff
8. Limited phone support for Department staff
9. Access to online help tools
10. Online video training
11. Up to date training manuals and quick help guides
12. Primary support hours from 9:00 AM to 5:00 PM Central Standard Time (CST)
13. Primary support days Mondays through Friday

The hosted Software *will not* include the following:

1. Phone training
2. Extensive phone support that is covered in system documentation
3. Vendor phone support
4. Vendor "content" support (e.g. contract compliance/certification issues)
5. Ongoing availability of test/staging system

The hosting system that provides the Software access will be composed of multiple layers and multiple servers. Each primary function (web/application, database, notifications, interfaces) is controlled by a different layer. The hosting system is structured for 24 hours/7 days a week availability with a goal of 99.99 percent availability during business hours and 99.9 percent availability all other times, including maintenance and upgrades.

The hosting system will provide the following security features:

1. Data and hosted system access is strictly controlled
2. City Data is Confidential
3. Hardware and software firewalls installed
4. Servers in locked cabinet in extremely secure co-location facility (Phoenix, Arizona and Southern California with redundant power source and internet connectivity.
5. Back-up hosting locations not located in Phoenix, Arizona or Southern California
6. Password protected account for all users
7. Detailed user/transaction audit trails
8. Data encryption availability for data transmission and storage
9. No browser cookies
10. No client software to install

EXHIBIT 1A**MAINTENANCE AND SUPPORT**

During the term of the Agreement, Contractor will continually update the Diversity Management Software (DMS). These updates will be product enhancements and also system modifications. Once tested, point release software updates and maintenance are automatically made available to all users via the City of Chicago's access to the System.

For City queries received by Contractor support personnel from 9:00 AM – 5:00 PM Central Standard Time, Monday through Friday except for nationally recognized holidays, the issue will either be answered during the initial telephone/email interaction or Contractor will research the issue and provide City with a verbal and written response within four (4) hours of the initial call if it is a Priority 1 or Priority 2 issue. Subsequent status updates will be provided either by system-wide communication updates or from an individual from the Contractor support personnel.

For City queries received by Contractor support personnel from 5:00 PM – 9:00 AM Central Standard Time, Monday through Friday and on weekends and nationally recognized holidays, the issue will be responded through system-wide communication updates to City no less frequently than noted for the particular Priority or by an individual from Contractor support personnel by 8:00 AM of the following business day. Maintenance and Support managers' wireless telephone numbers will also be available for after-hours emergencies.

Contractor must track all Software bugs and problem requests and those that result in more than a two hour lack of access to the service must be automatically escalated to senior executive management at both Contractor and that of the City. Non crucial software bugs and problems must be addressed within one week and incorporated into the maintenance and support software service. All bugs and software issues are tracked internally by Contractor.

Attachment 1

SCOPE OF SERVICES

Definitions

“Task Order” means an approved Proposal, as modified by negotiation between the City and Contractor, signed by the CPO and CIO and issued pursuant to the Task Order procedures set forth in this agreement.

“Task Order Request” means a written request from the CIO and CPO for Contractor to prepare and submit a Proposal, including Cost Proposal for Services relating to a specific project, issued pursuant to the Task Order procedures set forth in this agreement.

Description of Services

This description of Services is intended to be general in nature and is neither a complete description of Contractor's Services nor a limitation on the Services that Contractor is to provide under this Agreement. Contractor must provide the Services in accordance with the standards of performance set forth in Section 2.3. The Services that Contractor must provide, generally, are described in Exhibit 1, Statement of Work, Exhibit 1A, and Exhibit 9, RFP Response.

Task Order Services

From time to time the CIO and the CPO may issue Task Order Requests which are within the scope of this Agreement. Task Order Requests, if any, will set forth the project for which Services are to be performed, the required completion date, and the basis of compensation. In the event that a project is funded in whole or part with state or federal funds, the Task Order Request may also set forth additional conditions required by the particular source of funds and such additional conditions will become part of this Agreement with respect to that specific project. By accepting a Proposal in response to a particular Task Order Request, this Agreement will be deemed to have been amended to include such special conditions pursuant to Section 10.03 but with respect to that project only. The Contractor will not respond to Task Order Requests which are not within the scope of this Agreement.

Proposals

(A) The Contractor will respond to a Task Order Request by submitting a Proposal to the CIO that demonstrates how the Contractor will achieve the requested results and contains a time schedule for delivery of the results, any Deliverables to be provided and a schedule for delivery, and a Cost Proposal, all of which conform to the terms of the Task Order Request and the terms and conditions of this Agreement. Proposals will constitute irrevocable offers for a period of 60

calendar days after receipt by the City. Any and all costs associated with the preparation of a Proposal will not be a reimbursable cost under this Agreement.

(B) Proposals satisfactory to the CIO must be accepted on behalf of the City by the CPO before binding the City and Contractor. The City's acceptance will be demonstrated by a Notice-to-Proceed and a Task Order, issued pursuant to the Task Order procedures set forth in this Section 3.01(c). The Contractor will not commence Services, and the City will not be liable for any costs incurred by or payments to the Contractor, without a Notice-to-Proceed so executed. All approved Proposals will be governed by the terms and conditions of the Project Documents. The Project Documents will be interpreted in the following order of precedence: the terms of this Agreement, Task Order Request, and Task Order (approved Proposal). Notwithstanding anything to the contrary contained in this Agreement, if any Task Order contains terms that are inconsistent or conflict with this Agreement, or shift the risk allocation contemplated in this Agreement, such Task Order must be treated as an amendment pursuant to Section 10.03. Further, it is contemplated that each Task Order will include scopes of services setting forth the obligations of the Contractor under that Task Order, but the parties recognize that, depending upon the nature of the scope of services, the terms and conditions in this Agreement may not be appropriate for the undertaking contemplated by the Task Order. Therefore, any project for which the terms of this Agreement are deficient as a business and/or legal matter, such as, without limitation, deficient risk allocation provisions or licensing provisions given the nature of the project, must be done by amendment pursuant to Section 10.03.

(C) The Contractor acknowledges and agrees that this Agreement and any Task Order may be subject to approval by other governmental agencies and that, if such approval is required, the Contractor will perform no Services relating to a Proposal until such approval is obtained.

Deadlines for Submittal of Proposals

Proposals will be submitted to the CIO no later than the date set forth in the Task Order Request and if no date is specified then no later than 15 business days following Contractor's receipt of the Task Order Request. Failure to provide a Proposal on a timely basis may result in rejection of the Proposal.

Negotiation Possible

The City reserves the right, at its option, either to accept a Proposal as submitted by the Contractor, reject the Proposal, or to negotiate a more satisfactory Proposal with the Contractor.

Project Documents Order of Precedence

In the event of any conflicts between the terms of a Task Order and the terms of this Agreement, pursuant to Chicago Municipal Code Section 2-92-345, the terms of the Task Order will only supersede the terms of this Agreement if the circumstances required to amend the Agreement have been satisfied as set forth in Section 10.3.

Deliverables

In carrying out its Services, Contractor must prepare or provide to the City various Deliverables. "Deliverables" include, but are not limited to, all finished and unfinished originals or copies of documents, screens, reports, writings, procedural manuals, forms, source and object code, work flow charts, methods, processes, data studies, plans, designs, transformed data, briefs, drawings, maps, models, photographs, files, records, computer printouts, estimates, memoranda, interfaces, computation, papers, supplies, notes, recordings, videotapes, pictorial reproductions, designs or graphic representations, equipment descriptions, and other materials prepared by the Contractor under this Agreement.

Contractor represents and warrants that the Deliverables when submitted to the City for acceptance and for the duration of the warranty period will conform to the acceptance criteria, the specifications, the Statement of Work, and documentation prepared by Contractor or on behalf of Contractor in connection with performance of the Services and will be free of errors in design, material and workmanship. The warranty contained in this section will continue for a period of one year ("Warranty Period") after acceptance (unless otherwise specified in this section or the Statement of Work). If the City notifies the Contractor, or the Contractor becomes aware, of any non-performance, error or defect covered by the forgoing warranty within the Warranty Period, the Contractor shall, at its expense, promptly correct such nonperformance, error or defect, but in no event later than 30 days after notification by the City. Any repair or replacement of Deliverables or portions thereof will be additionally and automatically warranted as set forth herein. Such warranty will survive inspection, acceptance and payment.

Partial or incomplete Deliverables may be accepted for review only when required for a specific and well-defined purpose for the benefit of the City and when consented to in advance by the City. Such Deliverables will not be considered as satisfying the requirements of this Agreement and partial or incomplete Deliverables in no way relieve Contractor of its obligations under this Agreement.

Benjamin H