WR 19-09 – QUALITY ASSURANCE AND TECHNICAL QUALITY REVIEW SERVICES
EXHIBIT A – SAMPLE WORK ORDER

Washington State Department of Retirement Systems
ITPS Work Order

Quality Assurance / Technical Quality Review Consultant Services

Contract Number: DRS Work Order 19-09
Purchaser: Washington State Department of Retirement Systems
Contractor: <insert successful bidder’s company name>
Effective Date: <insert date>
Solicitation Coordinator: Jilene Siegel
Title: Rules and Contracts Manager
Phone: 360.664.7291
Email: Jilene.siegel@drs.wa.gov

ITPS Category:

- [ ] ITPS_08215_01. IT Funding and Financial Analysis
- [ ] ITPS_08215_02. IT Business Analysis
- [ ] ITPS_08215_03. Continuity/Disaster Recovery
- [ ] ITPS_08215_04. IT Project Management
- [X] ITPS_08215_05. Project Quality Assurance
- [ ] ITPS_08215_06. Software Testing
- [ ] ITPS_08215_07. Client/Server and Web Services
- [ ] ITPS_08215_08. Database Services
- [ ] ITPS_08215_09. GIS Services
- [ ] ITPS_08215_10. Infrastructure Services
- [ ] ITPS_08215_11. Mainframe Services
- [ ] ITPS_08215_12. Mobile Services
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1. **PARTIES**

This ITPS Work Order ("Contract") is made and entered into by and between the State of Washington acting by and through Washington State Department of Retirement Systems (DRS), a Washington state governmental entity, and <insert Contractor’s name>, a <insert Contractor’s legal status (e.g. corporation, partnership, sole proprietorship, etc.)> ("Contractor") and is effective as of the date of execution <insert effective date>.

2. **RECITALS**

This Contract is part of the IT Professional Services Master Contract program (Contract No. 08215) administered by the Washington State Department of Enterprise Services ("DES"). Accordingly, Contractor, as a participant in the IT Professional Services Master Contract program is subject to the program requirements including, but not limited to, the registration, reporting and evaluation obligations set forth therein.

DRS desires certain IT Professional Services which have been detailed in its Solicitation No. 19-09 dated May 28, 2019.

Contractor is capable of providing the desired IT Professional Services.

DRS and Contractor desire to contract for the IT Professional Services.

3. **AGREEMENT**

**NOW THEREFORE**, in consideration of the mutual promises, covenants, and conditions set forth herein, DRS and Contractor (collectively, the “Parties”) hereby agree as follows:

3.1. **Term**

The term of this Contract is from the execution date through June 30, 2023. DRS reserves the right at its discretion to extend the Work Order through June 30, 2026.

3.2. **IT Professional Services**

Contractor shall perform and provide the IT professional services detailed in Attachment A – IT Professional Services. To the extent that Contractor subcontracts any of its rights or obligations, such subcontractors shall be deemed to be agents of Contractor and Contractor shall include the pertinent requirements of this Contract in any such subcontract. In no event, however, shall any such subcontract operate to release or reduce Contractor from liability to DRS for any breach in the performance of Contractor’s duties.

3.3. **Compensation, Records and Audit**

3.3.1. **Compensation**

DRS agrees to pay to Contractor, as total compensation for Contractor’s complete performance of the IT professional services the compensation detailed in Attachment B – Compensation. Such compensation, including the timing thereof, is subject to the performance metrics set forth in Attachment B. Contractor shall invoice DRS in accordance with Attachment B.
3.3.2. Records

Contractor shall maintain and retain records relating to this Contract for six (6) years after the expiration or termination of this Contract; Provided, however, that, in the event of litigation pertaining to this Contract, Contractor shall maintain and retain such records for one (1) year following the termination of such litigation, including all appeals, or six (6) years from the date of expiration or termination of this Contract, whichever is later.

3.3.3. Audit

All such records shall be subject to examination, inspection, copying, or audit at reasonable times and upon prior notice by personnel so authorized by DRS, the Office of the State Auditor, or federal officials, at no additional cost to DRS. If requested by DRS and located elsewhere, Contractor shall provide access to these items within Thurston County, Washington. Contractor shall be responsible for any audit exceptions or disallowed costs incurred by Contractor or its agents.

3.4. Sales Reporting; Management Fee; Notices

3.4.1. Sales Reporting; Management Fee

Contractor shall report all amounts invoiced pursuant to this Contract to DES as instructed in Master Contract 08215. In addition, Contractor shall remit the applicable management fee to DES. Contractor’s failure to report all amounts invoiced or remit the management fee when due shall constitute material breach of this Contract. Reference Master Contract 08215 for further detail.

3.4.2. Notices

Any notices required or desired shall be in writing and delivered (i) by email; (ii) by mail; or (iii) personally or by messenger, and shall be sent to the respective addressee at the respective email or address set forth below or to such other email or address as the Parties may specify in writing:

<table>
<thead>
<tr>
<th>Purchaser</th>
<th>Contractor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attn: &lt;insert contact&gt;</td>
<td>Attn: &lt;insert contact&gt;</td>
</tr>
<tr>
<td>Department of Retirement Systems</td>
<td>&lt;insert Contractor’s name&gt;</td>
</tr>
<tr>
<td>PO Box 48385</td>
<td>&lt;insert address&gt;</td>
</tr>
<tr>
<td>Olympia, WA 98504-8385</td>
<td>&lt;insert city, state zip&gt;</td>
</tr>
<tr>
<td>&lt;email&gt;@drs.wa.gov</td>
<td>&lt;insert email&gt;</td>
</tr>
</tbody>
</table>

Notices shall be deemed effective upon the earlier of (i) confirmation of sent email when sent to the email address provided herein; (ii) four (4) business days from the date mailed; or (iii) upon delivery if hand delivered or delivered by messenger. The notice address set forth herein may be changed by written notice given as provided herein.
3.5. **Representations and Warranties**

Contractor makes the following representations and warranties without which DRS would not enter into this Contract. Breach of any of these representations and warranties shall constitute material breach of this Contract.

3.5.1. **Compliance with Law**

Contractor represents and warrants that Contractor shall comply with all applicable laws, regulations, and licensing requirements pertaining to its activities and operations under this Contract. Contractor shall not commit any act or omission, nor shall it allow its personnel or agents to commit any act or omission, that affects DRS or is in violation of any law, regulation or licensing requirement.

3.5.2. **Compliance with State Policies**

Contractor represents and warrants that Contractor shall comply with all applicable state policies pertaining to its activities under this Contract including, but not limited to, compliance with Washington state’s IT, security, access, data protection and privacy policies.

3.5.3. **Qualified to do business**

Contractor represents and warrants that Contractor is qualified to do business in the State of Washington and shall provide written confirmation upon request. Reference Master Contract 08215 for further detail.

3.5.4. **Registration**

Contractor represents and warrants that prior to commencement of work for DRS, Contractor shall register with the Statewide Payee Desk and shall provide written confirmation upon request. Reference Master Contract 08215 for further detail.

3.5.5. **Debarment**

Contractor represents and warrants that neither Contractor nor any of its personnel or agents are debarred or proposed for debarment from doing business with any state or local government in the United States or with the U.S. federal government.

3.5.6. **Insurance**

Contractor represents and warrants that, during the term of this Contract, Contractor shall maintain insurance, in full force and effect, to the levels and requirements detailed in *Attachment C – Insurance Requirements*.

3.5.7. **Industrial Insurance**

Contractor represents and warrants that, prior to commencing any work under this Contract; Contractor shall have or obtain industrial insurance coverage for its employees and maintain the same throughout the term of this Contract. Contractor hereby waives its Industrial Insurance immunity to the extent required to indemnify, defend, and hold harmless DRS and its personnel and/or agents.
3.5.8. **Taxes**
Contractor represents and warrants that Contractor is registered with the Washington State Department of Revenue. Contractor further understands and agrees that any and all taxes pertaining to its activities are Contractor’s sole obligation and Contractor promptly shall pay all such applicable taxes.

3.5.9. **No Assignment**
Contractor represents and warrants that Contractor shall not assign its rights under this Contract without DRS’ prior written consent and DRS may consider any attempted assignment without such consent to be void; provided, however, that, if Contractor provides written notice to DRS within thirty (30) days, Contractor may assign its rights under this Contract in full to any parent, subsidiary, or affiliate of Contractor that controls or is controlled by or under common control with Contractor, is merged or consolidated with Contractor, or purchases a majority or controlling interest in the ownership or assets of Contractor. Unless otherwise agreed, Contractor guarantees prompt performance of all obligations under this Contract notwithstanding any prior assignment of its rights.

3.5.10. **No Endorsement or Publicity**
The Parties understand and acknowledge that this Contract is not in any way an endorsement of Contractor or Contractor’s IT Professional Services by DRS and shall not be so construed or communicated as such in any advertising, promotional, or other materials pertaining to Contractor. Unless prior written permission is granted by DRS, Contractor shall not reference DRS or this Contract in any advertising, promotional, or other materials distributed or made available beyond Contractor, regardless of form or medium.

3.5.11. **No Wage Violations**
Contractor warrants that as of the execution of this Agreement, Contractor has not been determined by a final and binding citation and notice of assessment issued by the Washington Department of Labor & Industries or through a civil judgment entered by a court of limited or general jurisdiction to have willfully violated, as defined in RCW 49.48.082, any provision of RCW chapters 49.46, 49.48, or 49.52 within three (3) years prior to the date of the above-referenced procurement solicitation date. Contractor further warrants that it will remain in compliance with these requirements during the life of this contract. Contractor will immediately notify DRS of any finding of a willful violation entered by the Washington Department of Labor & Industries or through a civil judgment entered by a court of limited or general jurisdiction entered during the life of this Agreement.

3.6. **Termination and Dispute Resolution**

3.6.1. **Termination for Default**
This Contract may be terminated for default. If Contractor violates any material term or condition of this Contract, or fails to fulfill in a timely and proper manner its obligations under this Contract, DRS shall give Contractor written notice of such
failure or violation, and the failure or violation shall be corrected by Contractor within thirty (30) calendar days or as otherwise agreed. If such breach is not capable of cure within thirty (30) days, Contractor must commence cure within such thirty (30) day period and diligently pursue completion of such cure. If Contractor’s failure or violation is not so corrected, DRS may terminate this Contract by written notice. In the event of termination, DRS shall have the right to procure replacement IT Professional Services and Contractor shall be liable for all damages, including, but not limited to, the cost difference between the Contract price for the IT Professional Services and the replacement costs of such IT Professional Services; and any other costs to DRS resulting from Contractor’s breach. The Parties understand and agree that DRS shall have the right to deduct from any compensation due to Contractor an amount for damages that Contractor will owe DRS for Contractor’s default.

3.6.2. **Termination for Convenience**

DRS, in its sole discretion, may terminate this Contract for convenience when such termination is in the best interest of DRS.

3.6.3. **Termination for Lack of Funding or Authority**

In the event that DRS’ funding or authority to perform any of its duties pertaining to this Contract is withdrawn, reduced, or limited in any way after the commencement of this Contract and prior to normal completion, DRS may terminate this Contract.

3.6.4. **Termination for Conflict**

If, after reasonable investigation, DRS determines that either Contractor or DRS, including their respective personnel or agents, has violated the Ethics in Public Service law (RCW chapter 42.52), DRS shall terminate this Contract.

3.6.5. **Written Notice for Termination**

Any termination of this Contract shall be by written notice. With the exception of termination for default or for violation of the Ethics in Public Service law. In the event of termination, DRS shall be liable to Contractor for payment for IT Professional Services received and accepted by DRS prior to the effective date of such termination.

3.6.6. **Non-exclusive Remedies**

The remedies provided for in this Contract shall not be exclusive but are in addition to all other remedies available under law.

3.6.7. **Dispute Resolution**

To the fullest extent practicable, the Parties shall attempt to resolve disputes arising out of the performance of this Contract without resort to litigation. Disputes shall be resolved in a timely manner at the lowest possible level with authority to resolve such dispute. If a dispute persists and cannot be resolved, it may be escalated within each organization. If, however, within thirty (30) days of notice of any dispute, the Parties are unable to resolve the dispute, either party may commence litigation without further delay. In any such litigation, the prevailing party shall be entitled to an award of reasonable attorneys’ fees including any on appeal.
3.7. **Claims**

3.7.1. **Claims Between the Parties**

Contractor hereby assumes sole responsibility and all risks of injury or property damage to itself and its employees, representatives, or agents in connection with Contractor’s operations and activities under this Contract. Contractor shall pay for all damage to DRS’ property resulting directly or indirectly from its acts or omissions under this Contract, even if not attributable to negligence by Contractor or its agents.

3.7.2. **Third-Party Claims; Indemnification**

Contractor shall defend, indemnify, and hold harmless DRS and its employees and agents from and against all claims, demands, judgments, assessments, damages, penalties, fines, costs, liabilities or losses including, without limitation, sums paid in settlement of claims, attorneys’ fees, consultant fees, and expert fees (collectively “claims”) arising from any act or omission of Contractor or its successors, agents, and contractors under this Contract, except claims caused solely by DRS’ negligence. This includes, without limitation, any claims for injury to or death of persons; damage to property; nuisance; mechanics’ and materialmen’s liens; workers’ compensation and unemployment taxes; fines and penalties; and environmental damages, cleanups, and corrective actions. If DRS chooses to retain its own counsel, Contractor shall reimburse DRS for all costs reasonably incurred to defend against such claims through the attorneys of its choice. Contractor shall take all steps needed to keep DRS’ property free of liens arising from Contractor’s activities, and promptly obtain or bond the release of any such liens that may be filed. The foregoing indemnity and defense obligations shall survive the expiration or earlier termination of this Contract.

3.8. **Other Provisions**

3.8.1. **Time is of the Essence**

Time is of the essence for every provision of this Contract.

3.8.2. **Integrated Agreement**

This Contract constitutes the entire agreement and understanding of the Parties with respect to the subject matter and supersedes all prior negotiations, representations and understandings between them. There are no representations or understandings of any kind not set forth herein.

3.8.3. **Amendment / Modification**

This Contract may not be amended or modified except in writing and signed by a duly authorized representative of each party hereto.

3.8.4. **Authority**

Each party to this Contract, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this Contract and that its execution, delivery, and performance of this Contract has been fully authorized and approved, and that no further approvals or consents are required to bind such party.
3.8.5. **No Agency**

The parties agree that no agency, partnership, or joint venture of any kind shall be, or is intended to be, created by or under this Contract. Neither party is an agent of the other party nor authorized to obligate it.

3.8.6. **Binding Effect; Successor and Assigns**

This Contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

3.8.7. **Severability**

If any provision of this Contract is held to be invalid or unenforceable, such provision shall not affect or invalidate the remainder of this Contract, and to this end the provisions of this Contract are declared to be severable. If such invalidity becomes known or apparent to the Parties, the Parties agree to negotiate promptly in good faith in an attempt to amend such provision as nearly as possible to be consistent with the intent of this Contract.

3.8.8. **Waiver**

Failure of either party to insist upon the strict performance of any of the terms and conditions hereof, or failure to exercise any rights or remedies provided herein or by law, or to notify the other party in the event of breach, shall not release the other party of any of its obligations under this Contract, nor shall any purported oral modification or rescission of this Contract by either party operate as a waiver of any of the terms hereof. No waiver by either party of any breach, default, or violation of any term, warranty, representation, agreement, covenant, right, condition, or provision hereof shall constitute waiver of any subsequent breach, default, or violation of the same or other term, warranty, representation, agreement, covenant, right, condition, or provision.

3.8.9. **Survival**

All representations, warranties, covenants, agreements, and indemnities set forth in or otherwise made pursuant to this Contract shall survive and remain in effect following the expiration or termination of this Contract, **Provided**, however, that nothing herein is intended to extend the survival beyond any applicable statute of limitations periods.

3.8.10. **Governing Law**

The validity, construction, performance, and enforcement of this Contract shall be governed by and construed in accordance with the laws of the state of Washington, without regard to its choice of law rules.

3.8.11. **Jurisdiction and Venue**

In the event that any action is brought to enforce any provision of this Contract, the parties agree to submit to exclusive in personam jurisdiction in Thurston County Superior Court for the state of Washington and agree that in any such action venue shall lie exclusively at Olympia, Washington.
3.8.12. **Fair Construction and Interpretation**

The provisions of this Contract shall be construed as a whole according to their common meaning and not strictly for or against any party and consistent with the provisions contained herein in order to achieve the objectives and purposes of this Contract. Each party hereto and its counsel has reviewed and revised this Contract and agrees that the normal rules of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be construed in the interpretation of this Contract. Each term and provision of this Contract to be performed by either party shall be construed to be both a covenant and a condition.

3.8.13. **Further Assurances**

In addition to the actions specifically mentioned in this Contract, the Parties shall each do whatever may reasonably be necessary to accomplish the transactions contemplated in this Contract including, without limitation, executing any additional documents reasonably necessary to effectuate the provisions and purposes of this Contract.

3.8.14. **Captions and Headings**

The captions and headings in this Contract are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Contract nor the meaning of any provisions hereof.

3.8.15. **Attachments**

All attachments referred to herein are deemed to be incorporated in this Contract in their entirety.

3.8.16. **Counterparts**

This Contract may be executed in one or more counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Contract at different times and places by the parties shall not affect the validity thereof so long as all the parties hereto execute a counterpart of this Contract.

**EXECUTED AND EFFECTIVE** as of the day and date first above written.

<table>
<thead>
<tr>
<th>&lt;insert name of Contractor&gt;</th>
<th>Department of Retirement Systems</th>
</tr>
</thead>
<tbody>
<tr>
<td>By:</td>
<td>By:</td>
</tr>
<tr>
<td>Name:</td>
<td>Name:</td>
</tr>
<tr>
<td>Title:</td>
<td>Title:</td>
</tr>
<tr>
<td></td>
<td><strong>Director</strong></td>
</tr>
<tr>
<td>Date:</td>
<td>Date:</td>
</tr>
</tbody>
</table>
Attachment A: IT Professional Services

This Exhibit sets forth the IT Professional Services and manner in which they are to be provided by Contractor.

1. Statement of Work

   a. Introduction/Background

   The Department of Retirement Systems (DRS) has established the Creating an Outstanding Retirement Experience (CORE) Program, a multi-year, multi-project effort that will support technology enhancements and business process re-design. This Program will plan and implement a series of projects to replace the remaining mission-critical legacy systems that are over 25 years old. These systems maintain information for approximately 800,000 current and former public employees and are DRS’ tools for calculating and distributing over $4.3 billion in payments each year. In 2019-21 the first project within the CORE Program will migrate the legacy system off mainframe technology.

   The vision of the Program is to establish modern technology systems and tools that strengthen DRS team members’ capability to deliver value-added services to customers, partners, stakeholders and policymakers. Program goals include the following:

   • Adopt updated business processes that support an excellent customer experience (Elated Customers)
   • Enhance DRS team member experience with technology to support the pursuit of 100 percent customer satisfaction (Engaged Team Members)
   • Reduce technology related risks (Vigilant Resource Stewards)

   The purpose of this Contract is to secure a qualified firm to provide independent and objective Program oversight and to assist in the successful outcomes of this critical program by providing regular and periodic QA assessments and technical system reviews of projects within the Program including project deliverables, systems and processes as the projects progress through their lifecycle. The role of the QA/TQR contractor will be to provide objective feedback to DRS from a third-party perspective on each project’s status and work provided by all parties associated with the projects, and verify that products and processes developed by the projects meet documented specification and requirements. It is DRS’ intention that all entities maintain a clear, positive relationship and work together to keep the Program moving ahead. This participation includes recognizing and correcting problems early and to the greatest extent possible, preventing any schedule delays.

   The QA/TQR Contractor must perform all Project Quality Assurance and Technical Quality Review responsibilities defined in this Work Order throughout the term of the Contract. The QA/TQR Consultant is expected to actively participate in project meetings and is considered by DRS to be a key player in the success of each project within the CORE Program. DRS’ intent is for the QA/TQR Consultant to monitor and track the management processes, products, and deliverables of each project, focusing on issues of substance that affect the course of each project. In order to facilitate a truly independent reporting structure, the QA/TQR Consultant will report out to the DRS Executive Steering Committee.
b. **Scope of Work**

The scope of work for this effort is for the QA/TQR Consultant to work with the Executive Sponsor, CORE Program Director, Project Sponsors, Project Managers, and key stakeholders on an ongoing basis to provide External Quality Assurance (including, but not limited to reviews, recommendations, advice and reporting on progress of projects within the CORE Program), as well as complying with the OCIO Policy No. 132: Project Quality Assurance, (refer to [https://ocio.wa.gov/policy/project-quality-assurance](https://ocio.wa.gov/policy/project-quality-assurance)).

c. **Period of Performance**

The initial period of performance is from July 2019 through June 30, 2023. DRS reserves the right at its discretion to extend the Work Order through June 30, 2026.

d. **Place of Performance**

The Contractor staff must be available on-site at DRS Headquarters located at 6835 Capitol Blvd, Tumwater, WA, as needed to observe the project or attend meetings. The QA/TQR Contractor will also work onsite from your location(s). The Consultant will not have assigned DRS-provided office space but may be provided workspace on an as needed basis.

e. **Work Requirements**

The QA/TQR Contractor will at a minimum be responsible for the following:

(1) **Project Leadership – QA Services shall include:**

- Conduct independent QA of Project processes; provide QA reports as specified in Section g. Deliverables and Milestones, below.
- Provide ongoing advice and recommendations to the Core Executive Steering Committee, Project Sponsor, Program Director, Project Managers, and key stakeholders;
- Monitor the effectiveness of quality management practices that support a successful implementation of projects within the CORE Program;
- Review communication strategies with the Program Director to ensure effective communication with Project Sponsors, CORE Executive Steering Committee, the Project Managers, and key stakeholders;
- Assess stakeholder and user involvement and buy-in;
- Provide timely, independent and objective reviews of each project and related activities to assure that effective planning, management, risk assessment and controls are being applied to ensure success;
- Provide a common source of reliable, independent information to those charged with the oversight of the Program;
- Perform periodic reviews, analysis and written feedback of each project including assessing project plans, processes and procedures to identify improvements and whether they are being followed;
• Provide consultative support to the Program and projects in the development and implementation of suggested alternative actions based on findings from periodic reviews or other outside influences;

• Review change management processes and approaches to ensure effective change management processes are being followed.

(2) **Project Leadership – TQR Services shall include:**

• Provide ongoing technical advice, counsel and recommendations to the Program Sponsor, Program Director, Project Managers, and key stakeholders regarding the design, development and implementation of projects within the CORE Program;

• Review key project deliverables, processes, project progress and prepare reports of project health and findings for each project within the CORE Program;

• Identify integration points for Technical Quality Reviews into overall project schedule;

• Verify adequate implementation of testing methods and automated testing tools as applicable and related standards and procedures;

• Review and verify various test artifacts (test scenarios, test runs, test cases, and test scripts);

• Review, assess, evaluate and make recommendations on all technical aspects of CORE Program projects, including technologies used, architecture, data migration (ETL) code reviews, data integration, data management, testing, etc.;

• Validate that data quality standards are being met and that data quality processes are working as designed, to identify any gaps and provide recommendations;

• Perform administrative activities and tasks in support of the verification effort;

• Conduct periodic assessments/detailed reviews.

(3) **Develop and Maintain the QA/TQR Management Plan**

Develop a QA/TQR Management Plan that contains the strategy and approach to be used by the QA/TQR Consultant and a plan outlining key tasks, deliverables and timelines for execution of the Management Plan. Include objectives, scope standards, procedures, tools, etc. that will be used to ensure functional and technical requirements are being met.

The initial draft of the QA/TQR Management Plan must be completed within thirty (30) calendar days of execution of this Contract. Updates to the QA/TQR Management Plan will be required within 30 days of initiation of a new CORE project, or as directed by DRS.

(4) **Initial Assessment Report and Recommendations**

The QA/TQR Consultant will conduct an initial QA/TQR Assessment and report the findings to the Project Sponsors and Program Director within thirty (30) calendar days of Contract execution. Updates to the Initial Assessment Report and Recommendations will be required within thirty (30) calendar days of initiation of a new CORE project, or as directed by DRS.
The initial assessment shall include a review of the initial baseline project plan and provide DRS with an assessment of the adequacy and feasibility of the project plan and proposed schedule, including specific areas of concern, if any, the rationale for the concern and recommendations for specific mitigation strategies, if appropriate.

(5) Meeting Participation

The selected QA/TQR Consultant will be required to actively participate in CORE Program project meetings on a regular, ongoing basis. More specifically the QA/TQR Consultant will be expected to:

- Participate in project status meetings, held weekly with the Project Manager as needed to review and provide comment upon progress against the Project’s Work Plan and report any immediate concerns;
- Attend a regular QA/TQR meeting with the Program Director and Project Manager(s) as specified in Section g. Deliverables and Milestones;
- Participate in CORE Executive Steering Committee Meetings as required;
- Participate in Technology Services Board (TSB) meetings, when required.

(6) Review Key Activities and Documentation

- Verify the integrity and effectiveness of Program and Project Governance and sponsorship, including ongoing analysis of the Change Control Process to ensure changes to scope, schedule and budget are properly reviewed and approved.
- Use the OCIO Project Management framework located at the following website, https://ocio.wa.gov/policy/managing-information-technology-projects, to perform routine assessment of the Program and each project’s management and organization structures including but not limited to the following:
  - Develop criteria to verify that the Program and each project organization is effective at meeting the Program and each project needs;
  - Verify that lines of reporting and responsibility provide adequate and effective governance and oversight of both technical and managerial issues;
  - Independently evaluate and measure Program and each project progress, resources, budget, schedules, work flow and communications mechanisms;
  - Evaluate Program and each project decision making, risk and issue management processes;
  - Perform other QA/TQR related tasks or activities as determined necessary by the Steering Committees Program Sponsor or the Program Management;
  - Develop all QA/TQR reports in conformance with OCIO Policy Number 132: Project Quality Assurance, https://ocio.wa.gov/policy/project-quality-assurance. The Quality Assurance Reports must contain:
    - A cover letter signed by the QA/TQR Consultant responsible for the content that attests to the independent preparation of the report.
- An executive summary that describes:
  - The QA/TQR Consultant’s brief assessment of the active project’s under oversight within the CORE Program;
  - A summary of any findings, recommendations and significant risks contained in the detailed portion of the QA report;
  - The agency’s response to any prior findings, recommendations and significant risks;
  - A listing of any prior findings the agency has not addressed or has not resolved by the due date;
  - Sections that include detailed descriptions of the information included in the executive summary;
  - A table that summarizes all open findings as well as those closed during the reporting period, including the QA/TQR Consultant’s assessment of the agency’s actions;
  - For each active project, a section addressing the project phase(s) in process and potential risks to subsequent phases.

- Verify that requirements are well-defined, understood, documented and that stakeholder(s) have accepted requirements as complete;
- Provide independent reviews and validation of data conversion and performance testing;
- Verify that adequate organizational change management processes are in place and effectively executed.

(7) **Review and Assessment**

For each project within the CORE Program, perform routine assessment of:

- Project Management Plans
- Project’s budget control and tracking mechanisms
- Schedule/work plan activities
- Staffing/resources plans
- Project reporting/status reports
- Implementation plans
- User training plan and activities for timeliness and effectiveness of training

(8) **Lessons Learned and Project Close-Out**

For each project within the CORE Program, develop a Lessons Learned/Close-Out report summarizing actions taken on QA/TQR recommendations for future projects, an overall assessment of the project compared to goals and objectives and Lessons Learned developed through key staff interviews and observations.
(9) **Present Findings and Recommendations**

- Present QA/TQR findings and recommendations, in a written report, to Project Sponsors, Program Manager, Project Manager(s) and OCIO Senior Policy & IT Consultant monthly;
- Present QA/TQR findings and recommendations to the Steering Committee when requested;
- Present QA/TQR findings to the Technology Services Board (TSB), when requested.

f. **Deliverables and Milestones**

The list below contains the milestones for the key deliverables:

<table>
<thead>
<tr>
<th>Deliverable</th>
<th>Submission Date</th>
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<tbody>
<tr>
<td>QA/TQR Management Plan - 1</td>
<td>August 20, 2019</td>
</tr>
<tr>
<td>Initial Assessment Complete</td>
<td>September 15, 2019</td>
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<tr>
<td>Quality Assurance Report</td>
<td>Monthly by the 7th business day following the end of the period being evaluated</td>
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<tr>
<td>Lessons Learned and Project Close-Out Report</td>
<td>June 30, 2021</td>
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</table>


g. **Acceptance Criteria**

DRS will review deliverables on the basis of quality, timeliness, and the extent to which they meet the agency’s business needs. The DRS Program Director will provide written acceptance of each deliverable.

Acceptable written materials will be clear and correct, and recommendations will be based on thorough analysis and valid assumptions.

Intangible deliverables (such as team leadership and in-person meetings) will achieve the necessary objectives in a professional and respectful manner.

h. **Other Requirements**

The Consultant must comply with all appropriate DRS policies when onsite, including but not limited to policies on ethics, internet and email usage, security and harassment prevention. DRS will supply a copy of all relevant DRS policies to the awarded Contractor.

In addition to the tasks above, the QA/TQR Vendor is expected limited to do the following:

- Use of professional judgment;
- Regular, punctual attendance at all required meetings and briefings; and
- Creation of high-quality deliverables.

2. **Work Product/Ownership Rights**

Any custom additions and modifications to Contractor’s pre-existing material and all data and work products produced pursuant to this Contract shall collectively be called “Work Product.” DRS shall have and retain all ownership, right, title, interest and all intellectual property rights to Work
Product. To the extent that any such rights in the Work Product vest initially with the Contractor by operation of law or for any other reason, Contractor hereby perpetually and irrevocably assigns, transfers and quitclaims such rights to DRS. Ownership includes the right to copyright, patent, register and the ability to transfer these rights and all information used to formulate such Work Product. Contractor warrants that it is the owner of the Work Product and pre-existing material and that it has full rights to assign and license the same to DRS. Work Product includes, but is not limited to, discoveries, formulae, ideas, improvements, inventions, methods, models, processes, techniques, findings, conclusions, recommendations, reports, designs, plans, diagrams, drawings, software, databases, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes and/or sound reproductions, to the extent provided by law. During the term of this Contract and any time thereafter, Contractor shall execute all documents and perform such other proper acts as DRS may deem necessary to secure for DRS the rights herein granted, and when so obtained or vested, to maintain, renew, and restore the same. Contractor shall not use or in any manner disseminate any Work Product to any third party, or represent in any way Contractor ownership in any Work Product. Contractor shall take all reasonable steps necessary to ensure that its personnel and agents shall not copy, disclose, transmit or perform any Work Product or any portion thereof, in any form, to any third party. Contractor hereby grants to DRS a non-exclusive, royalty-free, irrevocable license to use, publish, translate, reproduce, deliver, perform, display, and dispose of materials and know-how that are delivered under this Contract, but that do not originate therefrom pre-existing material. Contractor shall exert best efforts to advise DRS of all known or potential infringements of publicity, privacy or of intellectual property rights of the pre-existing material furnished under this Contract. DRS shall receive prompt written notice of each notice or claim of copyright infringement or infringement of other intellectual property right worldwide received by Contractor with respect to any pre-existing material delivered under this Contract. DRS shall have the right to modify or remove any restrictive markings placed upon the pre-existing material by Contractor.

3. **Specified Personnel for IT Professional Services**

Contractor shall use best efforts to ensure that personnel assigned to this Contract are available until the completion of the Contract. Any proposal by Contractor for changes, replacement, or substitution of personnel during the term of the Contract shall be submitted to DRS in writing. DRS shall have the sole discretion to accept or reject such proposal. As a condition to accepting Contractor’s proposal for personnel changes, DRS may require Contractor to compensate DRS for any training and administrative costs incurred by DRS in association with such replacement. Such compensation will be in the form of a credit against Contractor’s compensation. If DRS does not accept Contractor’s proposed change and Contractor is unable to provide acceptable personnel to DRS within ten (10) business days after the originally assigned personnel have left, then DRS may terminate this Contract.
Attachment B: Compensation

1. Compensation

Payment for the services associated with this Contract will be based on completion of the deliverables described herein and approval of the deliverable by DRS.

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<tr>
<th>Deliverable</th>
<th>Due Date</th>
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Invoices will describe the deliverable(s) completed and approved by DRS during the period covered by the Invoice, and the associated fee for the deliverable.

DRS may request additional work to be performed by the Contractor on an hourly basis, at a rate not to exceed <hourly fee> per hour per person. All such work must be approved in advance by the DRS Contract Manager, and will be identified on Invoices with a description of the work performed and the number of hours worked. Partial hours shall be reported in quarter hour increments.

The total compensation for the initial term of this Contract shall not exceed <total compensation amount>.

In the event additional funds become available, this Contract may be renegotiated to provide for additional services subject to continued satisfactory completion of work as specified herein.

2. Invoicing Requirements

Contractor shall submit properly itemized invoices to DRS for any and all work pertaining to this Contract. Incorrect or incomplete invoices will be returned by DRS to Contractor for correction and reissue. Invoices shall provide and itemize the following:

All invoices must clearly reference Contract <Contract No>, and must be submitted to:

Attn: <Contract Manager>
Department of Retirement Systems
PO Box 48385
Olympia, WA 98504-8385
<email> @drs.wa.gov
3. **Payment**

Payments shall be due and payable within thirty (30) calendar days after provision and acceptance of Contractor’s IT Professional Services or thirty (30) calendar days after receipt of properly prepared invoices, whichever is later.

4. **No Advance Payment**

No advance payment shall be made for IT Professional Services provided by Contractor pursuant to this Contract.

5. **Completion Guarantee**

Contract agrees that DRS may withhold ten percent (10%) from each payment until final acceptance of Contractor’s IT Professional Services. Upon final acceptance, such withheld compensation shall be paid to Contractor.

6. **Overpayments**

Contractor shall refund to DRS the full amount of any erroneous payment or overpayment within thirty (30) days of such notice.
Attachment C: Insurance Requirements

1. **Insurance Required**

   Prior to commencement of any activity under this Contract, Contractor, at Contractor’s sole expense, shall obtain and maintain in full force and effect during the term of this Contract and during any other period during which Contractor is acting pursuant to this Contract, the insurance coverages set forth herein on Contractor’s operations and activities. Failures to purchase, maintain and provide evidence of the required insurance shall constitute material default.

   **a. Insurer**

   Contractor shall acquire such insurance from an insurance carrier or carriers licensed to conduct business in the state of Washington and having a rating of A-, Class VII or better, in the most recently published edition of Best’s Reports.

   **b. Evidence of Coverage**

   Contractor shall furnish to DRS copies of certificates and endorsements of all required insurance within thirty (30) calendar days of this Contract’s effective date, and copies of renewal certificates and endorsements of all required insurance within thirty (30) calendar days after the renewal date. These certificates of insurance must expressly indicate compliance with each and every insurance requirement specified in this Attachment. Such policies also shall reference this Contract number.

   **c. Advance Notice of Revocation**

   Such policies shall have a condition that they not be revoked by the insurer until forty-five (45) calendar days after notice of intended revocation thereof shall have been given to DRS by the insurer.

   **d. Cancellation**

   In the event of cancellation, non-renewal, revocation, or other termination of any insurance coverage required by this Contract, Contractor shall provide written notice of such to DRS within one (1) business day of Contractor’s receipt of such notice.

   **e. Additional Insured**

   With the exception of the Professional Liability, Automobile Liability, and Workers Compensation coverages, DRS shall be named as an Additional Insured and Contractor shall provide a copy of the policy endorsement(s) designating DRS as an additional named insured.

   **f. Primary Insurance**

   All insurance provided by Contractor shall be primary as to any other insurance or self-insurance programs afforded to or maintained by DRS and shall include a severability of interests (cross-liability) provision.

   **g. Subcontractors**

   Contractor shall include all subcontractors as insureds under all required insurance policies, or shall furnish separate certificates of insurance and endorsements for each subcontractor. Subcontractor(s) shall comply fully with all insurance requirements stated herein. Failure of
subcontractor(s) to comply with insurance requirements does not limit Contractor’s liability or responsibility.

h. Contractor’s Liability

By requiring insurance herein, DRS does not represent that coverage and limits will be adequate to protect Contractor. Such coverage and limits shall not limit Contractor’s liability under this Contract.

2. Insurance Coverage: Minimum Acceptable Insurance Policy Limits

The minimum acceptable limits shall be as stated below, with no deductible for each of the following categories:

a. Commercial General Liability Insurance (including Employers’ Liability Coverage)

Coverage form shall be equivalent to form CG00001. GL limits of liability shall be least $1,000,000 per occurrence and $2,000,000 annual aggregate. Employers’ Liability limits shall be Bodily Injury by Accident: $1,000,000 each accident/Bodily Injury by Disease: $1,000,000 policy limit/Bodily Injury by Disease: $1,000,000 each employee.

b. Automobile Liability Insurance

This Insurance shall apply to all owned, non-owned and hired vehicles. Limits of liability shall not be less than $1,000,000 combined single limit per accident.

c. Property Insurance

Contractor shall provide evidence of “All-Risk” property insurance including coverage for Earthquake and Flood for all locations where state of Washington data is held. This coverage shall include all Computer Property. This insurance shall also include coverage for Business Interruption and Extra Expense that extends to the loss of Computer Property. Limits shall be declared and subject to review and approval by the state of Washington.

d. Umbrella Policy

Providing excess limits over the primary policies in an amount not less than $3 million.

e. Workers’ Compensation or Industrial Accident Insurance

Statutory Workers Compensation insurance for all employees.

f. Cyber Liability Insurance

Limits of liability shall not be less than $5,000,000 per claim for First and Third Party coverage. Contractors who offer a Software-as-a-Service type solution will be required to provide Cyber Liability Insurance sufficient to cover the costs of a potential data security breach involving all SaaS customer’s data at any Contractor location or downstream Contractor location.

g. Professional Liability (Errors and Omissions) Insurance

Limits of liability shall not be less than $5,000,000 per claim and $10,000,000 annual aggregate.
h. Crime Insurance

To cover computer fraud and/or misuse of DRS’ data by Contractor’s personnel or agents. Limits of liability shall not be less than $1,000,000 per claim.