

**ATTACHMENT FIVE  
Liquidated Damages**

**RFP 6249 Z1**

Payment may be reduced for Contractor’s failure to resolve incidents in accordance with the following schedule. If the Contractor is awaiting additional information from DHHS regarding an incident for more than one (1) business day, and such additional information from DHHS is necessary to resolve the incident triggering Liquidated Damages, the Liquidated Damages calculation will pause when the information is requested, and resume when the information is provided. Additionally, Liquidated Damages do not apply if the incident is not related in any way to the Contractor’s software or interaction with it (e.g., DHHS network not functioning). An incident will be considered resolved when both parties agree that the Contractor has provided a permanent solution to the software issue.

<b>Pre-Implementation Incidents</b>	<b>Liquidated Damages</b>
Contractor shall thoroughly test the Licensure System and demonstrate proof of successful testing for 100% of the specifications and configuration updates presented in the contract in accordance with testing schedule presented in the Detailed Project Work Plan. Critical and high defects must be corrected before go-live. Other defects will be reviewed by Contractor and DHHS and remediation approach will be agreed to.	Five hundred dollars (\$500.00) per calendar day for any: (1) failure to complete testing in accordance with the Detailed Project Work Plan; (2) failure to demonstrate proof of successful testing for 100% of the specifications and configuration updates in accordance with the Detailed Project Work Plan; or, (3) failure to correct critical or high defects prior to go-live.
Updated training materials shall be received by DHHS for review and approval fifteen (15) business days prior to a scheduled training. Changes to previous version must be identified for ease of review of the changes.	One hundred dollars (\$100.00) per business day for any failure to timely provide training materials (with identified changes) for a scheduled training.
Solution shall have SIT environment available prior to UAT availability to facilitate interface testing with DHHS as provided in the Detailed Project Work Plan. Solution shall have UAT environment available before UAT scheduled start date as provided in the Detailed Project Work Plan. Solution shall have production environment available prior to the scheduled the Licensure System go-live date as provided in the Detailed Project Work Plan. SIT and UAT environments shall be available at least ninety-nine percent (99%) of the time during State business days and core working hours (6am CT to 7pm CT) with access on weekends and holidays as mutually agreed in advance by the parties.	Five hundred dollars (\$500.00) per business day, per environment, for any failure to: (1) have SIT environment available prior to UAT availability; (2) have UAT environment available before UAT scheduled start date; (3) have production environment available prior to the scheduled the Licensure System go-live date; (4) have SIT or UAT environments available at least 99% of the time during core working hours (6am CT to 7 pm CT) of business days; or (5) have SIT or UAT environments available one weekends or holidays as mutually agreed in advance by the parties.
<b>Post-Implementation Incidents</b>	<b>Liquidated Damages</b>
Out of Business: The software incident causes the system to be completely down and DHHS is unable to conduct business with the software.	Contractor will provide a viable workaround or a permanent solution to the problem within two (2) business days of the incident. If a viable workaround is not provided within two (2) business days, damages of one thousand dollars (\$1,000.00) will be assessed on the third (3rd) business day and on each business day thereafter that the system is still down.

	<p>If a permanent solution is not provided within forty five (45) calendar days of the incident, damages of two thousand five hundred dollars (\$2,500.00) will be assessed on the forty-sixth (46th) calendar day and on each calendar day thereafter until the permanent solution is implemented, and both parties agree that the Contractor has provided a permanent solution to the software problem.</p>
<p>Time Sensitive: The software incident pertains to time sensitive functions, such as processing payments and issuing or renewing licenses, preventing use of such functions.</p>	<p>Contractor will provide a viable workaround or a permanent solution within three (3) business days of the incident. If a viable workaround is not provided within three (3) business days, a damage of five hundred dollars (\$500.00) will be assessed on the fourth (4th) business day and on each business day thereafter that no viable workaround is provided.</p> <p>If a permanent solution is not provided within sixty (60) calendar days of the incident, a damage of five hundred dollars (\$500.00) will be assessed on the sixty-first (61st) calendar day and on each calendar day thereafter until the permanent solution is implemented, and both parties agree that the Contractor has provided a permanent solution to the software problem.</p>