

**ARKANSAS DEPARTMENT OF HUMAN SERVICES  
PERFORMANCE BASED CONTRACTING**

Service Criteria	Acceptable Performance	Damages for Insufficient Performance
<p><b>A. Develop Security Project Plan</b></p> <ol style="list-style-type: none"> <li>1. Vendor shall provide a Security project plan for Arkansas Department of Human Services (AR DHS) approval in a format acceptable to AR DHS.</li> <li>2. The project plan <b>must</b> include, but is not limited to: <ul style="list-style-type: none"> <li>• Status Reports delivery and frequency</li> <li>• Onsite dates</li> <li>• State resource requirements</li> <li>• Report draft, review and final submission dates</li> </ul> </li> <li>3. The project plan <b>must</b> identify the estimated completion date for each item and indicate any dependencies (predecessor or successor tasks) associated with each item.</li> <li>4. A draft/outline project plan <b>must</b> be delivered within fifteen (15) calendar days of the contract's actual onsite start date</li> <li>5. A final project plan <b>must</b> be delivered within thirty (30) calendar days of the contract's actual onsite start date.</li> <li>6. Project plan shall be incorporated into the Integrated Master Schedule maintained by the IEBM System Integrator and updated weekly.</li> </ol>	<p>Acceptable performance is defined as one hundred (100%) compliance with all service criteria.</p>	<ol style="list-style-type: none"> <li>1. A fifty percent (50%) penalty shall be assessed in the following months' payments to the Vendor for each thirty (30) day period the Vendor is not in full compliance with these Service Criteria. The fifty percent (50%) penalty shall be calculated from the total payment for the identified month in which the deficiency took place.</li> <li>2. If the initial Security project plan is not delivered sixty-one (61) calendar days after the contract's actual start date, AR DHS reserves the right to impose additional penalties including but not limited to: withholding payment on future invoices until Vendor is in full compliance, a substandard Vendor Performance Report (VPR) maintained in AR DHS' Vendor file, and contract termination.</li> </ol>
<p><b>B. Reporting</b></p> <ol style="list-style-type: none"> <li>1. Vendor shall provide a status report on all activities performed. <ul style="list-style-type: none"> <li>• The report shall be submitted on a mutually agreed upon time.</li> </ul> </li> </ol>	<p>Acceptable performance is defined as one hundred (100%) compliance with all service criteria throughout the contract term as determined by AR DHS.</p>	<p>1st Incident: A Corrective Action Plan, acceptable to AR DHS, shall be due to AR DHS within five (5) business days of the request.</p> <p>2nd incident: A twenty percent (20%) penalty shall be assessed in the following</p>

Service Criteria	Acceptable Performance	Damages for Insufficient Performance
<ul style="list-style-type: none"> <li>The report <b>must</b> be in a format approved by AR DHS.</li> </ul> <p>2. Each report shall include, but is not limited to:</p> <ul style="list-style-type: none"> <li>Resource status</li> <li>Project status</li> <li>Accomplishments</li> <li>Risks or Issues</li> <li>Concerns</li> </ul>		<p>months' payments to the Vendor for each thirty (30) day period the Vendor is not in full compliance with these Service Criteria. The twenty percent (20%) penalty shall be calculated from the total payment for the identified month in which the deficiency took place.</p> <p>The total of all damage credits in any given month shall not exceed one hundred percent (100%) of the monthly invoice unless a 3rd incident occurs for any of the Service Criteria.</p> <p>3rd incident: AR DHS reserves the right to impose additional penalties including but not limited to: withholding payment on future invoices until Vendor is in full compliance, a substandard Vendor Performance Report (VPR) maintained in AR DHS' Vendor file, and contract termination.</p>
<p><b>C. Organization and Staffing</b></p> <p>1. Vendor shall provide the following staff positions without limitation:</p> <ul style="list-style-type: none"> <li>One (1) Lead within the first thirty (30) days from contract start</li> </ul> <p>2. This organizational chart shall be delivered to AR DHS within thirty (30) calendar days of the contract's actual onsite start date.</p>	<p>Acceptable performance is defined as one hundred (100%) compliance with all service criteria throughout the contract term as determined by AR DHS.</p>	<p>1st Incident: A Corrective Action Plan, acceptable to AR DHS, shall be due to AR DHS within five (5) business days of the request. A 30 percent (30%) penalty shall be assessed in the following months' payments to the Vendor for each thirty (30) day period the Vendor is not in full compliance with these Service Criteria. The thirty percent (30%) penalty shall be calculated from the total payment for the identified month in which the deficiency took place.</p> <p>2<sup>nd</sup> incident: AR DHS reserves the right to impose</p>

Service Criteria	Acceptable Performance	Damages for Insufficient Performance
		<p>additional penalties including but not limited to: withholding payment on future invoices until Vendor is in full compliance, a substandard Vendor Performance Report (VPR) maintained in AR DHS' Vendor file, and contract termination.</p>
<p><b>D. PERSONNEL</b></p> <p>1. Vendor shall commit to using the personnel identified in the contract and agree to AR DHS' right to approve proposed personnel changes during the term of the contract.</p>	<p>Acceptable performance is defined as one hundred (100%) compliance with all service criteria throughout the contract term as determined by AR DHS.</p>	<p>1st Incident: A Corrective Action Plan, acceptable to AR DHS, shall be due to AR DHS within ten (10) business days of the request.</p> <p>2nd incident: A thirty percent (30%) penalty shall be assessed in the following months' payments to the Vendor for each thirty (30) day period the Vendor is not in full compliance with these Service Criteria. The thirty percent (30%) penalty shall be calculated from the total payment for the identified month in which the deficiency took place.</p> <p>The total of all damage credits in any given month shall not exceed one hundred percent (100%) of the monthly invoice unless a 3rd incident occurs for any of the Service Criteria.</p> <p>3rd incident: AR DHS reserves the right to impose additional penalties including but not limited to: withholding payment on future invoices until Vendor is in full compliance, a substandard Vendor Performance Report (VPR) maintained in AR DHS' Vendor file, and contract termination.</p>

Service Criteria	Acceptable Performance	Damages for Insufficient Performance
<p><b>E. Conflict of Interest Mitigation</b></p> <p>1. During the term of this contract, the Vendor shall comply with the terms of the AR DHS Organizational or Personal Conflict of Interest provisions. The Vendor shall disclose all actual, apparent, or potential conflicts of interest to the Department of Human Services (DHS) within five (5) calendar days of having knowledge of them. The Vendor shall develop a mitigation plan as requested by AR DHS which must be approved and accepted by AR DHS. Any changes to the approved mitigation plan must be approved in advance by AR DHS.</p>	<p>The Vendor must maintain one hundred percent (100%) compliance with this item at all times throughout the term of the contract</p>	<p>The Vendor will be fined five thousand dollars (\$5,000) per day for each day past five (5) calendar days for each actual, apparent, or potential conflict of interest it fails to disclose. The Vendor shall be fined one hundred thousand dollars (\$100,000) for the first failure to comply with the mitigation plan developed by the Vendor and approved by AR DHS. Each subsequent violation of the mitigation plan shall be twice the amount of the immediately preceding violation fine.</p>
<p><b>F. Exit Transition Plan</b></p> <p>1. Ninety (90) calendar days prior to the contract end date, the vendor shall submit to AR DHS a detailed plan for transitioning all contracted services to AR DHS, or to another vendor selected by AR DHS to provide the contracted services.</p> <p>2. The transition plan shall include provisions for the delivery of all proprietary data collected and/or created during the life of the contract to AR DHS thirty (30) calendar days prior to the contract end date. All proprietary data collected and/or created during the final thirty (30) calendar days of the contract, or any proprietary data not captured in the initial delivery, shall be delivered to AR DHS no more than fifteen (15) calendar days following the contract end date.</p>	<p>The Vendor must maintain one hundred percent (100%) compliance with this item at all times throughout the term of the contract.</p>	<p>If the Vendor fails to meet the acceptable performance standard, AR DHS may issue a below standard Vendor Performance Report (VPR) maintained in the vendor file. Final payment may be withheld from the vendor until the all elements of the transition are satisfied as determined by AR DHS.</p>