

Attachment D
ARKANSAS DEPARTMENT OF HUMAN SERVICES
PERFORMANCE BASED CONTRACTING

NOTE: These Performance Based Standards are **EXAMPLES ONLY** and represent types of indicators which will be included in a resultant contract to this RFQ.

Pursuant to Ark. Code Ann. 19-11-1010 et. seq., the selected contractor shall comply with performance based standards. Following are the performance based standards that will be a part of the contract and with which the contractor must comply for acceptable performance to occur under the contract.

- I. The contractor must comply with all statutes, regulations, codes, ordinances, and licensure or certification requirements applicable to the contractor or to the contractor's agents and employees and to the subject matter of the contract. Failure to comply shall be deemed unacceptable performance.
- II. Except as otherwise required by law, the contractor agrees to hold the contracting Division/Office harmless and to indemnify the contracting Division/Office for any additional costs of alternatively accomplishing the goals of the contract, as well as any liability, including liability for costs or fees, which the contracting Division/Office may sustain as a result of the contractor's performance or lack of performance.
- III. During the term of the contract, the division/office will complete sufficient performance evaluation(s) to determine if the contractor's performance is acceptable.
- IV. The State **shall** have the right to modify, add, or delete Performance Standards throughout the term of the contract, should the State determine it is in its best interest to do so. Any changes or additions to performance standards will be made in good faith following acceptable industry standards, and may include the input of the vendor so as to establish standards that are reasonably achievable.

State law requires that all contracts for services include Performance Standards for measuring the services provided. Attachment B: Performance Standards identifies expected deliverables, performance measures, or outcomes; and defines the acceptable standards a vendor **must** meet in order to avoid assessment of damages.

The State may be open to negotiations of Performance Standards prior to contract award, prior to the commencement of services, or at times throughout the contract duration.

All changes made to the Performance Standards **shall** become an official part of the contract.

Performance Standards **shall** continue throughout the term of the contract. Failure to meet the minimum Performance Standards as specified **shall** result in the assessment of damages.

In the event a Performance Standard is not met, the vendor will have the opportunity to defend or respond to the insufficiency. The State **shall** have the right to waive damages if it determines there were extenuating factors beyond the control of the vendor that hindered the performance of services. In these instances, the State **shall** have final determination of the performance acceptability.

The Scope of Work referred to in Section 1.4 Performance Standard of the RFQ will be inserted here for any contracts that result from the Qualified Vendor Listing. The following are listed as SAMPLE for reference in layout and style only.

Service Criteria ⁱ	Acceptable Performance	Damages for Insufficient Performance ⁱⁱ
Initial overall DHS IT Project Plan	In a manner acceptable to the State, Plan is submitted within 60 calendar days after the contract start date.	One thousand dollars (\$1000) per State work day the Plan is not received, or is unacceptable to the State.
IT PMO Procedure Manual	In a manner acceptable to the State, Plan is submitted within 60 calendar days after the contract start date.	One thousand dollars (\$1000) per State work day the Plan is not received, or is unacceptable to the State.
Monthly Project Status report.	In a manner acceptable to the State, report is submitted within five State working days after the end of the calendar month.	Five hundred dollars (\$500) per State work day the report is not received, or is unacceptable to the State.

Monthly Risks and Issues report.	In a manner acceptable to the State, report is submitted within five State working days after the end of the calendar month.	Five hundred dollars (\$500) per State work day the report is not received, or is unacceptable to the State.
Monthly Performance Review report.	In a manner acceptable to the State, report is submitted within five State working days after the end of the calendar month.	Five hundred dollars (\$500) per State work day the report is not received, or is unacceptable to the State.
Monthly Advisory Support Report	In a manner acceptable to the State, report is submitted within five State working days after the end of the calendar month.	Five hundred dollars (\$500) per State work day the report is not received, or is unacceptable to the State..
Monthly PMO Oversight report.	In a manner acceptable to the State, report is submitted within five State working days after the end of the calendar month.	Five hundred dollars (\$500) per State work day the report is not received, or is unacceptable to the State.
Monthly Project Schedule Update.	In a manner acceptable to the State, report is submitted within five State working days after the end of the calendar month.	Five hundred dollars (\$500) per State work day the report is not received, or is unacceptable to the State.

Monthly IT Project Plan Update	In a manner acceptable to the State, report is submitted within five State working days after the end of the calendar month.	Five hundred dollars (\$500) per State work day the report is not received, or is unacceptable to the State.
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Failure to meet the minimum Performance Standards as specified **shall** result in the assessment of damages.

In the event a Performance Standard is not met, the vendor will have the opportunity to defend or respond to the insufficiency. The State **shall** have the right to waive damages if it determines there were extenuating factors beyond the control of the vendor that hindered the performance of services. In these instances, the State **shall** have final determination of the performance acceptability.

Should any compensation be owed to the agency due to the assessment of damages, vendor **shall** follow the direction of the agency regarding the required compensation process.

ⁱ Nothing in this table is intended to set forth all obligations of the Contractor under the contract. These obligations are in addition to any others imposed by the contract and applicable law.

ⁱⁱ The damages set forth are not exclusive and shall in no way exclude or limit any remedies available at law or in equity.