

MISSISSIPPI STATE BOARD OF COSMETOLOGY AND BARBERING
Board Meeting
May 22, 2026
Robert E. Lee Building, Jackson

1. WELCOME AND CALL TO ORDER

Leisa McElreath, Board Chairman, called the meeting to order at 11:06 a.m. All present recited the Pledge of Allegiance.

Catherine Bell provided a roll call with the following present:

Leisa McElreath, Board Chair
Wendi Hill, Vice Chair
James Cook, Secretary
Thomas Elkins

Todd Freeman
Aaron Washington
Dr. Mary G. Armstrong

A quorum was present for voting purposes.

Others present were:

Catherine Bell, Executive Director
Sara Hartzog, Special Assistant Attorney General/ Counsel for the Board

2. AGENDA APPROVAL

Wendi Hill moved to accept the agenda. Todd Freeman provided a second. The voice vote was unanimous. Motion carried.


3. NEW BUSINESS

James Cook moved, seconded by Wendi Hill, to approve the Software Turnkey Agreement with Thoughtspan Technology, LLC. The voice vote was unanimous. Motion carried. A copy of the Software Turnkey Agreement with Thoughtspan Technology, LLC is attached as Exhibit A.

4. ADJOURNMENT

Wendi Hill moved, seconded by Dr. Mary Armstrong to adjourn at 11:11 a.m. The voice vote was unanimous. Motion carried.

APPROVED:


Leisa McElreath, Board Chairman



**PROJECT NUMBER 49473
SOFTWARE TURNKEY AGREEMENT
BETWEEN
THOUGHTSPAN TECHNOLOGY, LLC
AND
MISSISSIPPI DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES
AS CONTRACTING AGENT FOR THE
MISSISSIPPI BOARD OF COSMETOLOGY AND BARBERING**

This Software Turnkey Agreement (hereinafter referred to as "Agreement") is entered into by and between Thoughtspan Technology, LLC, a North Carolina limited liability company having its principal place of business at 6701 Carmel Road, Suite 119, Charlotte, North Carolina 28226 (hereinafter referred to as "Seller"), and Mississippi Department of Information Technology Services having its principal place of business at 3771 Eastwood Drive, Jackson, Mississippi 39211 (hereinafter referred to as "ITS"), as contracting agent for the Mississippi Board of Cosmetology and Barbering located at 239 North Lamar Street, Suite 301, Jackson, Mississippi 39296 (hereinafter referred to as "Purchaser"). ITS and Purchaser are sometimes collectively referred to herein as "State."

WHEREAS, ITS, on behalf of the Mississippi Board of Nursing and pursuant to Request for Proposals ("RFP") Number 3733, requested proposals for the acquisition of certain software, installation and conversion services, and technical support (collectively "Turnkey Operation") necessary for the implementation of a Licensing Management System; and

WHEREAS, Seller was the successful proposer in an open, fair, and competitive procurement process to provide the system and services described above;

WHEREAS, RFP No. 3733 contained a provision stating that the State reserves the right to re-use proposals for future projects when possible; and

WHEREAS, ITS has deemed it to be in the State's best interest to use the above-mentioned proposal as the basis for Purchaser's request for the acquisition of a License Management System, and Seller has agreed to provide such system to Purchaser;

NOW, THEREFORE, in consideration of the mutual understandings, promises, consideration, and agreements set forth, the parties hereto agree as follows:

ARTICLE 1 PERIOD OF PERFORMANCE

1.1 This Agreement will become effective on the date it is signed by all parties and will continue in effect until all tasks required herein, including any post warranty maintenance/support specified in Exhibit A, have been completed. Seller agrees to complete all tasks required under this Agreement, with the exception of warranty service and post warranty maintenance, on or before June 30, 2026, or within such other period as may be agreed to by the parties.

1.2 This Agreement will become a binding obligation on the State only upon the issuance of a valid purchase order by the Purchaser following contract execution and the issuance by ITS of the CP-1 Acquisition Approval Document.

ARTICLE 2 TURNKEY OPERATION AND INSTALLATION

2.1 The Seller agrees to provide Purchaser with a turnkey system consisting of software, installation and conversion services, technical support, and training for the implementation of a

Licensing Management System as specified in RFP No. 3733. Seller agrees to facilitate the integration of the hardware and software for the particular purpose set forth in RFP No. 3733. Seller further agrees that the system, as set forth in RFP No. 3733 and Seller's Proposal in response thereto, shall operate efficiently and optimally in light of industry standards and as further specified in RFP No. 3733 and Seller's Proposal in response thereto. RFP No. 3733 and Seller's Proposal as accepted by the State in response thereto are incorporated herein by reference.

2.2 In matters of proposals, negotiations, contracts, and resolution of issues and/or disputes, the parties agree that: (a) Seller is solely responsible for all products and services being provided in this project; (b) Seller is responsible for the fulfillment of this project; and (c) Seller represents all contractors, third parties, and/or subcontractors Seller has assembled for this project. The Purchaser is required to negotiate only with Seller, as Seller's commitments, as specified in this Agreement, are binding on all proposed contractors, third parties, and subcontractors.

ARTICLE 3 PROCUREMENT OF SOFTWARE AND PURCHASE ORDERS

Subject to the terms and conditions set forth herein, Seller agrees to provide, at the location specified by Purchaser, and Purchaser agrees to buy as needed the software and services listed in the attached Exhibit A, which is incorporated herein, and at the purchase price set forth therein. Purchaser shall submit a purchase order signed by a representative of Purchaser itemizing the items to be purchased. The purchase order shall be subject to the terms and conditions of this Agreement. The parties agree that Purchaser reserves the right to adjust the quantities of purchases based upon the availability of funding or as determined necessary by Purchaser. Seller guarantees pricing for a period of ninety (90) days from the effective date of this Agreement. In the event there is a national price decrease of the products specified in Seller's Proposal during this time, Seller agrees to extend the new, lower pricing to Purchaser.

ARTICLE 4 DELIVERY, INSTALLATION, AND RISK OF LOSS

4.1 Seller shall deliver the software to the location specified by Purchaser and pursuant to the delivery schedule set forth by Purchaser.

4.2 Seller shall complete installation of the software pursuant to the requirements set forth in RFP No. 3733 and Article 5 herein. Seller acknowledges that installation of the system shall be accomplished with minimal interruption of Purchaser's normal day-to-day operations.

4.3 Seller shall assume and shall bear the entire risk of loss and damage to the software from any cause whatsoever while in transit and at all times throughout its possession thereof.

4.4 Seller shall be responsible for replacing, restoring, or bringing to at least original condition any damage to floors, ceilings, walls, furniture, grounds, pavements, sidewalks, and the like caused by its personnel and operations during the installation, subject to final approval of ITS. The repairs will be done only by technicians skilled in the various trades involved, using materials and workmanship to match those of the original construction in type and quality.

ARTICLE 5 SCHEDULE AND ACCEPTANCE

5.1 Seller warrants that all software shall be properly delivered, installed, and integrated for acceptance testing within the scheduling deadlines set forth by Purchaser, as the site is deemed ready for installation. Seller shall provide Purchaser with an installation schedule identifying the date, time, and location within the scheduling deadlines set forth in RFP No. 3733, or as may be agreed to by the parties.

5.2 During the project initiation, Seller and Purchaser will develop a mutually agreed upon project plan including the division of responsibility between Purchaser's staff and Seller's staff. It is understood by the parties that the project work plan must be in place prior to any other work being performed. Once this mutually agreed upon project plan, which will identify specific time frames and deliverable target dates for this project, has been developed, it will be incorporated into and made a part of this Agreement. The dates in the project plan will define the agreed upon period of performance. The parties acknowledge that the project plan will evolve and change from time to time, upon the mutual written agreement of both parties. The parties agree that the deliverables and schedule set forth in the latest version of the project plan will take precedence over any prior plans.

5.3 Seller shall provide all documentation for the software being tested before acceptance testing will begin. Purchaser shall have ten (10) business days to review each deliverable and to either notify Seller of acceptance or to provide Seller a detailed list of deficiencies that must be remedied prior to payment being made. In the event the Purchaser notifies the Seller of deficiencies, the Seller, at Seller's sole expense, shall correct such deficiencies within thirty (30) business days, unless the Purchaser consents in writing to a longer period of time.

5.4 Upon notification by Seller that the turnkey system has been fully implemented and is ready for final system acceptance testing, Purchaser shall have thirty (30) business days to evaluate and test the system to confirm that it performs without any defects and performs pursuant to the specifications set forth in RFP No. 3733, the Seller's Proposal in response thereto, and the Statement of Work included as Exhibit B. Seller shall participate, as agreed upon by both parties, in the acceptance testing of the system by providing technical staff at Purchaser's location to provide assistance in demonstrating all functions of the system. The Purchaser's official representative must sign off on each application to ensure that the applications meet the functional and technical requirements. In the event that one (1) or more applications supplied by Seller are not accepted, the Seller shall correct the deficiencies or provide, at its own expense, whatever software that may be required to meet the acceptance criteria within ten (10) business days or a mutually agreed upon time period. In the event the system fails to perform to Purchaser's satisfaction, Purchaser shall immediately notify Seller. Seller, at Seller's sole expense, shall correct defects identified by Purchaser within ten (10) business days, or such other period as the parties may agree upon. The thirty (30) day testing period will be extended by system downtime. In the event Seller is unable to repair or replace the defective software, the Purchaser reserves the right to return defective software to Seller at Seller's expense and to cancel this Agreement.

ARTICLE 6 SOFTWARE LICENSE AND TERMS

6.1 Seller shall furnish the software to Purchaser, as set forth in purchase orders submitted and executed by Purchaser, and shall acquire the right to license the software to Purchaser. For purposes of this Article, the term "Purchaser" means the Mississippi Board of Cosmetology and Barbering, its employees, and any third party consultants or outsourcers engaged by Purchaser who have a need to know and who shall be bound by the terms and conditions of this license and Agreement.

6.2 Seller accepts sole responsibility for: (a) Purchaser's system configuration, design, and requirements; (b) the selection of the software to achieve Purchaser's intended results; (c) the results obtained from the software; and (d) modifications, changes, or alterations to the software provided by Seller.

6.3 Seller understands and agrees that Purchaser shall have: (a) a non-exclusive, non-transferable, enterprise-wide unlimited, and perpetual license for the software listed in Exhibit A;

(b) the right to use and customize the software products and the related documentation for Purchaser's business operations and in accordance with the terms and conditions of this Agreement; (c) unlimited use by licensed users of the software products acquired for Purchaser's operations; (d) use of such software products with a backup platform system, should it be deemed necessary by Purchaser; (e) the right to copy such software for safekeeping, backup, and disaster recovery purposes; (f) the right to combine the software with other programs and modules, and the right to create interfaces to other programs; and (g) the right to reproduce any and all physical documentation supplied under the terms of this Agreement.

6.4 Purchaser agrees that except as noted herein, it will not otherwise copy, translate, modify, adapt, decompile, disassemble, or reverse engineer any of the software without the prior written consent of Seller. All title and proprietary rights, whether tangible or intangible, including but not limited to copyright, trademark, and trade secret rights, in and to the software are retained by the Seller or the third party software manufacturer as applicable. Purchaser agrees to reproduce and include the copyright, trademark, and other proprietary rights notices on any copies made of the software and documentation.

ARTICLE 7 CONVERSION AND TRAINING

Seller shall, for the fees specified in the attached Exhibit A, provide the conversion activities as well as the training specified in RFP No. 3733, Seller's Proposal, as accepted by Purchaser, in response thereto, and the Statement of Work as Exhibit B. Seller and Purchaser shall mutually agree on the time for the training and an outline of the training to be provided. Seller specifically understands and agrees that Purchaser will not accept the system until Seller completes the conversion and training requirements. Seller agrees to provide, upon delivery, all user documentation and technical manuals needed to fully acquaint the user with operation of the software.

ARTICLE 8 CONSIDERATION AND METHOD OF PAYMENT

8.1 In no event will the total compensation to be paid to the Seller by the Purchaser exceed the fixed price of \$519,208.00 for all software, products, services, travel, performances and expenses under this Agreement, payable as described in Exhibit A and Exhibit B, unless prior written authorization from ITS has been obtained. Authorization of payments is subject to the written approval of the Purchaser.

8.2 The Seller and the Purchaser agree to the Payment Schedule as set forth in Exhibit B to this Agreement. The Seller will receive payment in the amount indicated in Article 8.1 herein, upon written acceptance by the Purchaser of each of the deliverables defined therein. The parties agree that as the project work plan is revised by written agreement of the parties during the term of this Agreement, the anticipated dates for acceptance of deliverables and for the corresponding payments to the Seller, but not the amounts of those payments, may likewise be revised only by written agreement of the parties.

8.3 Upon written acceptance, as set forth in Article 5 herein, by the Purchaser of a deliverable which has an associated payment, the Seller will invoice the Purchaser for the invoice amount of that payment as indicated in the attached Exhibit B. Seller shall certify that the billing is true and correct. Seller shall submit invoices and supporting documentation to Purchaser electronically during the term of this Agreement using the processes and procedures identified by the State. Purchaser agrees to pay Seller in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies," Sections 31-7-301, et seq. of the 1972 Mississippi Code Annotated, as amended, which generally provides for payment of undisputed amounts by the State within forty-five (45) days of receipt of the invoice. Seller understands and agrees that Purchaser is

exempt from the payment of taxes. All payments should be made in United States currency. Payments by state agencies using Mississippi's Accountability System for Government Information and Collaboration (MAGIC) shall be made and remittance information provided electronically as directed by the State. The payments by these agencies shall be deposited into the bank account of the Seller's choice. No payment, including final payment, shall be construed as acceptance of defective products or incomplete work, and the Seller shall remain responsible and liable for full performance in strict compliance with the contract documents specified in the article herein titled "Entire Agreement."

8.4 Seller agrees to use the third-party electronic payment processor designated by Mississippi Department of Finance ("DFA") to accept electronic payments for various services and fees collectible for Purchaser purposes under this Agreement unless express written approval is given by DFA to the Purchaser for the use of an alternate payment processor in accordance with Miss. Code Ann. Section 27-104-33 et seq., Miss. Code Ann. Section 25-53-151, and DFA's regulations.

8.5 Acceptance by the Seller of the last payment from the Purchaser shall operate as a release of all claims against the State by the Seller and any subcontractors or other persons supplying labor or materials used in the performance of the work under this Agreement.

ARTICLE 9 WARRANTIES

9.1 Seller represents and warrants that all software and services provided by Seller shall meet or exceed the minimum specifications set forth in RFP No. 3733, Seller's Proposal in response thereto, and the Statement of Work included as Exhibit B.

9.2 Seller represents and warrants that Seller has the right to license the software provided under this Agreement.

9.3 Seller represents and warrants that all software furnished will be free from material defects for a period of one (1) year after final acceptance of the complete system and will provide Purchaser complete functionality necessary for the operation of the system as stated in RFP No. 3733, the Seller's Proposal in response thereto, and the Statement of Work included as Exhibit B. This warranty shall cover all components of the system, including but not limited to all programs, screens, reports, subroutines, utilities, file structures, documentation, interfaces, or other items provided by the Seller. This warranty will apply to the base package, plus any customized programs, screens, reports, subroutines, interfaces, utilities, file structures, documentation, or other items proposed and delivered by the Seller specifically for this project. The Seller shall give immediate high priority attention to any mission critical corrections that are needed. If the software does not function accordingly, Seller shall, within five (5) working days and at no cost to Purchaser, correct the defects identified or replace the software with software that is compliant with this warranty. In the event Seller cannot repair or replace the software, Seller shall at the State's election, either refund the fees paid for the software and for any services that directly relate to the defective software, or secure alternate software acceptable to the Purchaser which will insure functionality of the system.

9.4 Seller represents and warrants that the turnkey system is fit for the particular purpose set forth in this Agreement and RFP No. 3733, with regard to Purchaser's foreseeable or projected needs.

9.5 Seller represents and warrants that it has and will obtain and pass through to Purchaser any and all warranties obtained or available from the licensor of software supplied to Seller.

9.6 Seller represents and warrants that all work performed hereunder, including but not limited to consulting, conversion, training, technical support, and maintenance, shall be performed by competent personnel, shall be of professional quality consistent with generally accepted industry standards for the performance of such services, and shall comply in all respects with the requirements of this Agreement. For any breach of this warranty, the Seller shall, for a period of ninety (90) days from the performance of service, perform the services again at no cost to the Purchaser, or if the Seller is unable to perform the services as warranted, the Seller shall reimburse the Purchaser the fees paid to the Seller for the unsatisfactory services.

9.7 Seller represents and warrants that there is no disabling code or a lockup program or device embedded in the software provided to Purchaser. Seller further agrees that it will not, under any circumstances, including enforcement of a valid contract right, (a) install or trigger a lockup program or device, or (b) take any step which would in any manner interfere with Purchaser's use of the software and/or which would restrict Purchaser from accessing its data files or in any way interfere with the transaction of Purchaser's business. For any breach of this warranty, Seller, at its expense, shall, within five (5) working days after receipt of notification of the breach, deliver Products to Purchaser that are free of such disabling code or a lockup program or device.

9.8 Seller represents and warrants that the software as delivered to Purchaser does not contain a computer virus. For any breach of this warranty, Seller, at its expense, shall, within five (5) working days after receipt of notification of the breach, deliver Products to Purchaser that are free of any virus and shall be responsible for repairing, at Seller's expense, any and all damage done by the virus to Purchaser's site.

9.9 Seller represents and warrants that, upon completion of the project, the Seller and all subcontractors shall convey to Purchaser copies of all interim reports, data collection forms, and any working papers that support the final acceptance of the system.

9.10 Seller represents and warrants that it presently has and will continue to maintain, at its own expense, throughout the term of this Agreement, valid licenses for all software, trademarks, service marks, patents and copyrighted material and any other proprietary information of a third party that it will deploy in support of all products Seller uses in the performance of this Agreement. Seller further represents and warrants that upon Purchaser's request, Seller shall pass through such licenses to Purchaser at no cost to Purchaser. In the event the licenses are passed through to Purchaser, such licenses shall name the Purchaser as the license holder of record and such licenses shall be established in such a manner so as to survive the termination/expiration of this Agreement. For any breach of the preceding warranty, Seller at its own expense shall within five (5) business days after receipt of notification of the breach, secure and/or pass through, as applicable, the necessary licenses. Failure of the Seller to secure and/or pass through such licenses to Purchaser shall be considered a material breach of this Agreement and the Purchaser may, at its sole discretion, pursue its rights as set forth in the Termination Article herein and any other rights and remedies it may have at law or in equity.

9.11 Seller represents and warrants that, to the extent applicable, it will ensure its compliance with the Mississippi Employment Protection Act, Miss. Code Ann. § 71-11-1, et seq. and any breach of Mississippi Employment Protection Act may subject Seller to the consequences set forth under Miss. Code Ann § 71-11-3.

9.12 Seller represents and warrants that the system provided pursuant to this Agreement will pass both internal security audits and independent security audits. For any breach of the

preceding warranty at any time during which the system is covered by warranty, maintenance and/or support, Seller shall, at its own expense and at no cost to Purchaser, remediate any defect, anomaly or security vulnerability in the system by repairing and/or replacing any and all components of the system necessary in order for the system to be secure.

9.13 Seller represents and warrants that no official or employee of Purchaser or of ITS, and no other public official of the State of Mississippi who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the project shall, prior to the completion of said project, voluntarily acquire any personal interest, direct or indirect, in this Agreement. The Seller warrants that it has removed any material conflict of interest prior to the signing of this Agreement, and that it shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its responsibilities under this Agreement. The Seller also warrants that in the performance of this Agreement no person having any such known interests shall be employed.

9.14 The Seller represents and warrants that no elected or appointed officer or other employee of the State of Mississippi, nor any member of or delegate to Congress has or shall benefit financially or materially from this Agreement. No individual employed by the State of Mississippi shall be admitted to any share or part of the Agreement or to any benefit that may arise therefrom. The State of Mississippi may, by written notice to the Seller, terminate the right of the Seller to proceed under this Agreement if it is found, after notice and hearing by the ITS Executive Director or his/her designee, that gratuities in the form of entertainment, gifts, jobs, or otherwise were offered or given by the Seller to any officer or employee of the State of Mississippi with a view toward securing this Agreement or securing favorable treatment with respect to the award, or amending or making of any determinations with respect to the performing of such contract, provided that the existence of the facts upon which the ITS Executive Director makes such findings shall be in issue and may be reviewed in any competent court. In the event this Agreement is terminated under this article, the State of Mississippi shall be entitled to pursue the same remedies against the Seller as it would pursue in the event of a breach of contract by the Seller, including punitive damages, in addition to any other damages to which it may be entitled at law or in equity.

ARTICLE 10 INFRINGEMENT INDEMNIFICATION

Seller represents and warrants that neither the software, its elements, nor the use thereof violates or infringes on any copyright, patent, trademark, servicemark, trade secret, or other proprietary right of any person or entity. Seller, at its own expense, shall defend or settle any and all infringement actions filed against Seller or Purchaser which involve the software provided under this Agreement and shall pay all settlements, as well as all costs, attorney fees, damages, and judgment finally awarded against Purchaser. If the continued use of the products for the purpose intended is threatened to be enjoined or is enjoined by any court of competent jurisdiction, Seller shall, at its expense: (a) first procure for Purchaser the right to continue using such products, or upon failing to procure such right; (b) modify or replace them with non-infringing products while maintaining substantially similar software functionality or data/informational content, or upon failing to secure either such right; (c) refund to Purchaser the software license fees previously paid by Purchaser for the products Purchaser may no longer use. Said refund shall be paid within ten (10) working days of notice to Purchaser to discontinue said use.

ARTICLE 11 SOFTWARE SUPPORT

11.1 Prior to expiration of the warranty period, Seller shall notify Purchaser in writing of the impending warranty expiration, and Purchaser shall in turn notify Seller of its decision to either obtain software support or to forgo it. Upon notification of intent to obtain software support, Seller

shall provide Purchaser, for the annual fee specified in the attached Exhibit A, the software support services as herein described.

11.2 Seller shall provide, for the periods set forth in Exhibit A, software support services as specified in RFP No. 3733, Seller's Proposal, as accepted by Purchaser, in response thereto, and the Statement of Work included as Exhibit B, with said support to include but not be limited to the following: (a) upon notification of software errors, Seller shall provide all remedial support and assistance needed to correct the errors which affect the operation of the software; (b) the provision of regular updates, new releases, and enhancements as they are released, but no less than one (1) annually; (c) unlimited toll-free technical telephone support in the operation of the software system Monday through Friday, 8:00 A.M. to 5:00 P.M. (Central Time), with a guaranteed one (1) hour telephone response time; priority placement in the support queue shall be given to all system locking situations or problems claimed by Purchaser to be a mission critical process; and (d) on-site support in the operation of the software products if reasonably convenient or necessary in the opinion of the Seller. It is further understood that in the event the software product lines are discontinued, Seller shall be responsible for supporting the last software release implemented by the Purchaser for a minimum of five (5) years thereafter, with the same level of support as described in this Article. Should Seller migrate away from the database currently required for the software installed for Purchaser to a different database, Seller shall provide updated product and new database licensing to Purchaser at no cost to Purchaser.

11.3 Sixty (60) days prior to expiration of the initial software support period or any renewal term thereof, Seller shall notify Purchaser in writing of the impending expiration, and Purchaser shall have thirty (30) days in which to notify Seller of its decision to either renew or cancel any further software support.

ARTICLE 12 EMPLOYMENT STATUS

12.1 Seller shall, during the entire term of this Agreement, be construed to be an independent contractor. Nothing in this Agreement is intended to nor shall it be construed to create an employer-employee relationship or a joint venture relationship.

12.2 Seller represents that it is qualified to perform the duties to be performed under this Agreement and that it has or will secure, if needed, at its own expense, applicable personnel who shall be qualified to perform the duties required under this Agreement. Such personnel shall not be deemed in any way, directly or indirectly, expressly or by implication, to be employees of Purchaser. Seller shall pay, when due, all salaries and wages of its employees, and it accepts exclusive responsibility for the payment of federal income tax, state income tax, social security, unemployment compensation, and any other withholdings that may be required. Neither Seller nor employees of Seller are entitled to state retirement or leave benefits.

12.3 Any person assigned by Seller to perform the services hereunder shall be the employee of Seller, who shall have the sole right to hire and discharge its employee. Purchaser may, however, direct Seller to replace any of its employees under this Agreement. If Seller is notified within the first eight (8) hours of assignment that the person is unsatisfactory, Seller will not charge Purchaser for those hours.

12.4 It is further understood that the consideration expressed herein constitutes full and complete compensation for all services and performances hereunder and that any sum due and payable to Seller shall be paid as a gross sum with no withholdings or deductions being made by Purchaser for any purpose from said contract sum.

ARTICLE 13 BEHAVIOR OF EMPLOYEES/SUBCONTRACTORS

Seller will be responsible for the behavior of all its employees and subcontractors while on the premises of any Purchaser location. Any employee or subcontractor acting in a manner determined by the administration of that location to be detrimental, abusive, or offensive to any of the staff and/or student body will be asked to leave the premises and may be suspended from further work on the premises. All Seller employees and subcontractors who will be working at such locations to install or repair Products shall be covered by Seller's comprehensive general liability insurance policy.

ARTICLE 14 MODIFICATION OR RENEGOTIATION

This Agreement may be modified only by written agreement signed by the parties hereto, and any attempt at oral modification shall be void and of no effect. The parties agree to renegotiate the Agreement if federal and/or state revisions of any applicable laws or regulations make changes in this Agreement necessary.

ARTICLE 15 AUTHORITY, ASSIGNMENT AND SUBCONTRACTS

15.1 In matters of proposals, negotiations, contracts, and resolution of issues and/or disputes, the parties agree that Seller represents all contractors, third parties, and/or subcontractors Seller has assembled for this project. The Purchaser is required to negotiate only with Seller, as Seller's commitments are binding on all proposed contractors, third parties, and subcontractors.

15.2 Neither party may assign or otherwise transfer this Agreement or its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld. Any attempted assignment or transfer of its obligations without such consent shall be null and void. This Agreement shall be binding upon the parties' respective successors and assigns.

15.3 Seller must obtain the written approval of Purchaser before subcontracting any portion of this Agreement. No such approval by Purchaser of any subcontract shall be deemed in any way to provide for the incurrence of any obligation of Purchaser in addition to the total fixed price agreed upon in this Agreement. All subcontracts shall incorporate the terms of this Agreement and shall be subject to the terms and conditions of this Agreement and to any conditions of approval that Purchaser may deem necessary.

15.4 Seller represents and warrants that any subcontract agreement Seller enters into shall contain a provision advising the subcontractor that the subcontractor shall have no lien and no legal right to assert control over any funds held by the Purchaser, that the subcontractor acknowledges that no privity of contract exists between the Purchaser and the subcontractor, and that the Seller is solely liable for any and all payments which may be due to the subcontractor pursuant to its subcontract agreement with the Seller. The Seller shall indemnify and hold harmless the State from and against any and all claims, demands, liabilities, suits, actions, damages, losses, costs, and expenses of every kind and nature whatsoever arising as a result of Seller's failure to pay any and all amounts due by Seller to any subcontractor, materialman, laborer, or the like.

15.5 All subcontractors shall be bound by any negotiation, arbitration, appeal, adjudication, or settlement of any dispute between the Seller and the Purchaser, where such dispute affects the subcontract.

ARTICLE 16 AVAILABILITY OF FUNDS

It is expressly understood and agreed that the obligation of Purchaser to proceed under this Agreement is conditioned upon the appropriation of funds by the Mississippi State Legislature and the receipt of state and/or federal funds for the performances required under this Agreement. If the funds anticipated for the fulfillment of this Agreement are not forthcoming or are insufficient, either through the failure of the federal government to provide funds or of the State of Mississippi to appropriate funds, or if there is a discontinuance or material alteration of the program under which funds were available to Purchaser for the payments or performance due under this Agreement, Purchaser shall have the right to immediately terminate this Agreement without damage, penalty, cost, or expense to Purchaser of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination. Purchaser shall have the sole right to determine whether funds are available for the payments or performances due under this Agreement.

ARTICLE 17 TERMINATION

17.1 Notwithstanding any other provision of this Agreement to the contrary, this Agreement may be terminated, in whole or in part, as follows: (a) upon the mutual, written agreement of the parties; (b) by Purchaser, without the assessment of any penalties, upon thirty (30) days written notice to Seller, if Seller becomes the subject of bankruptcy, reorganization, liquidation, or receivership proceedings, whether voluntary or involuntary; (c) by Purchaser, without the assessment of any penalties, for any reason after giving thirty (30) days written notice specifying the effective date thereof to Seller; or (d) by either party in the event of a breach of a material term or provision of this Agreement where such breach continues for thirty (30) days after the breaching party receives written notice from the other party. Upon termination, Purchaser will be entitled to a refund of applicable unexpended prorated annual software support fees/charges, if any. In the event of termination, Seller shall be paid for satisfactory work completed or services rendered by Seller in connection with this Agreement and accepted by Purchaser as of the date of receipt of notification of termination. In no case shall said compensation exceed the total contract price. The provisions of this Article do not limit either party's right to pursue any other remedy available at law or in equity.

17.2 In the event that this Agreement's Scope of Services requires customization and/or implementation of software for which Purchaser is required to pay a license fee upon execution of this Agreement, and if Seller fails to complete said customization and/or implementation as required thereby precluding Purchaser's use of the subject software, Seller shall refund in full the price paid by Purchaser to Seller upon termination of this Agreement.

ARTICLE 18 GOVERNING LAW

This Agreement shall be construed and governed in accordance with the laws of the State of Mississippi, and venue for the resolution of any dispute shall be Jackson, Hinds County, Mississippi. Seller expressly agrees that under no circumstances shall Purchaser or ITS be obligated to pay an attorney's fee, prejudgment interest, or the cost of legal action to Seller. Further, nothing in this Agreement shall affect any statutory rights Purchaser may have that cannot be waived or limited by contract.

ARTICLE 19 WAIVER

Failure of either party hereto to insist upon strict compliance with any of the terms, covenants, and conditions hereof shall not be deemed a waiver or relinquishment of any similar right or power hereunder at any subsequent time or of any other provision hereof, nor shall it be construed to be a modification of the terms of this Agreement. A waiver by the State, to be effective, must be in

writing, must set out the specifics of what is being waived, and must be signed by an authorized representative of the State.

ARTICLE 20 SEVERABILITY

If any term or provision of this Agreement is prohibited by the laws of the State of Mississippi or declared invalid or void by a court of competent jurisdiction, the remainder of this Agreement shall be valid and enforceable to the fullest extent permitted by law, provided that the State's purpose for entering into this Agreement can be fully achieved by the remaining portions of the Agreement that have not been severed.

ARTICLE 21 CAPTIONS

The captions or headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provision or section of this Agreement.

ARTICLE 22 HOLD HARMLESS

To the fullest extent allowed by law, Seller shall indemnify, defend, save and hold harmless, protect, and exonerate Purchaser, ITS and the State, its Board Members, officers, employees, agents, and representatives from and against any and all claims, demands, liabilities, suits, actions, damages, losses, costs, and expenses of every kind and nature whatsoever, including, without limitation, court costs, investigative fees and expenses, attorney fees, and claims for damages arising out of or caused by Seller and/or its partners, principals, agents, employees, or subcontractors in the performance of or failure to perform this Agreement.

ARTICLE 23 THIRD PARTY ACTION NOTIFICATION

Seller shall notify Purchaser in writing within five (5) business days of Seller filing bankruptcy, reorganization, liquidation or receivership proceedings or within five (5) business days of its receipt of notification of any action or suit being filed or any claim being made against Seller or Purchaser by any entity that may result in litigation related in any way to this Agreement and/or which may affect the Seller's performance under this Agreement. Failure of the Seller to provide such written notice to Purchaser shall be considered a material breach of this Agreement and the Purchaser may, at its sole discretion, pursue its rights as set forth in the Termination Article herein and any other rights and remedies it may have at law or in equity.

ARTICLE 24 AUTHORITY TO CONTRACT

Seller warrants that it is a validly organized business with valid authority to enter into this Agreement, that entry into and performance under this Agreement is not restricted or prohibited by any loan, security, financing, contractual, or other agreement of any kind, and notwithstanding any other provision of this Agreement to the contrary, that there are no existing legal proceedings or prospective legal proceedings, either voluntary or otherwise, which may adversely affect its ability to perform its obligations under this Agreement.

ARTICLE 25 NOTICE

Any notice required or permitted to be given under this Agreement shall be in writing and personally delivered or sent by electronic means, provided that the original of such notice is sent by certified United States mail, postage prepaid, return receipt requested, or overnight courier with signed receipt, to the party to whom the notice should be given at their business address listed herein. ITS' address for notice is: Craig P. Orgeron, Ph.D., Executive Director, Mississippi Department of Information Technology Services, 3771 Eastwood Drive, Jackson, Mississippi 39211. Purchaser's address for notice is: Catherine Bell, Executive Director, Mississippi Board of Cosmetology and Barbering, 239 North Lamar Street, Suite 301, Post Office Box 55689, Jackson, Mississippi 39296-5689. The Seller's address for notice is: Monroe Limer, President,

Thoughtspan Technology, LLC, 6701 Carmel Road, Suite 119, Charlotte, North Carolina 28226. Notice shall be deemed given when actually received or when refused. The parties agree to promptly notify each other in writing of any change of address.

ARTICLE 26 RECORD RETENTION AND ACCESS TO RECORDS

Seller shall establish and maintain financial records, supporting documents, statistical records and such other records as may be necessary to reflect its performance of the provisions of this Agreement. The Purchaser, ITS, any state or federal agency authorized to audit Purchaser, and/or any of their duly authorized representatives, shall have unimpeded, prompt access to this Agreement and to any of the Seller's proposals, books, documents, papers and/or records that are pertinent to this Agreement to make audits, copies, examinations, excerpts and transcriptions at the State's or Seller's office as applicable where such records are kept during normal business hours. All records relating to this Agreement shall be retained by the Seller for three (3) years from the date of receipt of final payment under this Agreement. However, if any litigation or other legal action, by or for the state or federal government has begun that is not completed at the end of the three (3) year period, or if an audit finding, litigation or other legal action has not been resolved at the end of the three (3) year period, the records shall be retained until resolution.

ARTICLE 27 INSURANCE

Seller represents that it will maintain workers' compensation insurance as prescribed by law, which shall inure to the benefit of Seller's personnel, as well as comprehensive general liability and employee fidelity bond insurance. Seller will, upon request, furnish Purchaser with a certificate of conformity providing the aforesaid coverage.

ARTICLE 28 DISPUTES

Any dispute concerning a question of fact under this Agreement, which is not disposed of by agreement of the Seller and Purchaser, shall be decided by the Executive Director of ITS or his/her designee. This decision shall be reduced to writing and a copy thereof mailed or furnished to the parties. Disagreement with such decision by either party shall not constitute a breach under the terms of this Agreement. Such disagreeing party shall be entitled to seek such other rights and remedies it may have at law or in equity.

ARTICLE 29 COMPLIANCE WITH LAWS

29.1 Seller shall comply with and all activities under this Agreement shall be subject to all Purchaser policies and procedures and all applicable federal, state, and local laws, regulations, policies, and procedures as now existing and as may be amended or modified. Specifically, but not limited to, Seller shall not discriminate against any employee nor shall any party be subject to discrimination in the performance of this Agreement because of race, creed, color, sex, age, national origin, or disability. Further, if applicable, Seller shall comply with the provisions of the Davis-Bacon Act including, but not limited to, the wages, recordkeeping, reporting and notice requirements set forth therein.

29.2 Seller represents and warrants that it will comply with the state's data breach notification laws codified at Section 75-24-29 of the Mississippi Code Annotated (Supp. 2012). Further, to the extent applicable, Seller represents and warrants that it will comply with the applicable provisions of the HIPAA Privacy Rule and Security Regulations (45 CFR Parts 160, 162 and 164) ("Privacy Rule" and "Security Regulations", individually; or "Privacy and Security Regulations", collectively); and the provisions of the Health Information Technology for Economic and Clinical Health Act, Title XIII of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5 (the "HITECH Act").

ARTICLE 30 CONFLICT OF INTEREST

Seller shall notify Purchaser of any potential conflict of interest resulting from the representation of or service to other clients. If such conflict cannot be resolved to Purchaser's satisfaction, Purchaser reserves the right to terminate this Agreement.

ARTICLE 31 SOVEREIGN IMMUNITY

By entering into this Agreement with Seller, the State of Mississippi does in no way waive its sovereign immunities or defenses as provided by law.

ARTICLE 32 CONFIDENTIAL INFORMATION

32.1 Seller shall treat all Purchaser data and information to which it has access by its performance under this Agreement as confidential and shall not disclose such data or information to a third party without specific written consent of Purchaser. In the event that Seller receives notice that a third party requests divulgence of confidential or otherwise protected information and/or has served upon it a subpoena or other validly issued administrative or judicial process ordering divulgence of such information, Seller shall promptly inform Purchaser and thereafter respond in conformity with such subpoena to the extent mandated by state and/or federal laws, rules, and regulations. This Article shall survive the termination or completion of this Agreement, shall continue in full force and effect, and shall be binding upon the Seller and its agents, employees, successors, assigns, subcontractors, or any party or entity claiming an interest in this Agreement on behalf of or under the rights of the Seller, following any termination or completion of this Agreement.

32.2 The parties understand and agree that this Agreement, including any amendments and/or change orders thereto, does not constitute confidential information, and may be reproduced and distributed by the State without notification to Seller. ITS will provide third party notice to Seller of any requests received by ITS for documents marked confidential in Seller's response to an RFP so as to allow Seller the opportunity to protect the information by court order as outlined in ITS Public Records Procedures.

32.3 The parties understand and agree that pursuant to §25-61-9(7) of the Mississippi Code of 1972, as amended, the contract provisions specifying the commodities purchased or the services provided; the price to be paid; and the term of this Agreement shall not be deemed confidential information.

ARTICLE 33 EFFECT OF SIGNATURE

Each person signing this Agreement represents that he or she has read the Agreement in its entirety, understands its terms, is duly authorized to execute this Agreement on behalf of the parties, and agrees to be bound by the terms contained herein. Accordingly, this Agreement shall not be construed or interpreted in favor of or against the State or the Seller on the basis of draftsmanship or preparation hereof.

ARTICLE 34 OWNERSHIP OF DOCUMENTS AND WORK PRODUCTS

All data, electronic or otherwise, collected by Seller and all documents, notes, programs, databases (and all applications thereof), files, reports, studies, and/or other material collected and prepared by Seller in connection with this Agreement, whether completed or in progress, shall be the property of Purchaser upon completion of this Agreement or upon termination of this Agreement. Purchaser hereby reserves all rights to the databases and all applications thereof and to any and all information and/or materials prepared in connection with this Agreement. Seller is prohibited from use of the above described information and/or materials without the express written approval of Purchaser.

ARTICLE 35 NON-SOLICITATION OF EMPLOYEES

Seller agrees not to employ or to solicit for employment, directly or indirectly, any of the Purchaser's employees until at least one (1) year after the expiration/termination of this Agreement, unless mutually agreed to the contrary in writing by the Purchaser and the Seller, and provided that such an agreement between these two entities is not a violation of the laws of the State of Mississippi or the federal government.

ARTICLE 36 ENTIRE AGREEMENT

36.1 This Agreement constitutes the entire agreement of the parties with respect to the subject matter contained herein and supersedes and replaces any and all prior negotiations, understandings, and agreements, written or oral, between the parties relating hereto, including all terms of any unsigned or "shrink-wrap" license included in any package, media, or electronic version of Seller-furnished software, or any "click-wrap" or "browse-wrap" license presented in connection with a purchase via the Internet. The RFP No. 3733 and Seller's Proposal in response to RFP No. 3733 are hereby incorporated into and made a part of this Agreement.

36.2 The Agreement made by and between the parties hereto shall consist of and precedence is hereby established by the order of the following:

- A.** This Agreement signed by both parties;
- B.** RFP No. 3733 and written addenda; and
- C.** Seller's Proposal, as accepted by Purchaser, in response to RFP No. 3733; and
- D.** Any exhibits attached to this Agreement;

36.3 The intent of the above listed documents is to include all items necessary for the proper execution and completion of the services by the Seller. The documents are complementary, and what is required by one shall be binding as if required by all. A higher order document shall supersede a lower order document to the extent necessary to resolve any conflict or inconsistency arising under the various provisions thereof, provided, however, that in the event an issue is addressed in one of the above mentioned documents but is not addressed in another of such documents, no conflict or inconsistency shall be deemed to occur by reason thereof. The documents listed above are shown in descending order of priority, that is, the highest document begins with the first listed document ("A. This Agreement") and the lowest document is listed last ("D. Any exhibits").

ARTICLE 37 STATE PROPERTY AND LOCATION OF WORK

37.1 Seller shall be responsible for the proper custody of any Purchaser-owned property furnished for Seller's use in connection with work performed pursuant to this Agreement. Seller shall reimburse the Purchaser for any loss or damage, normal wear and tear excepted.

37.2 All work provided in connection with this contract will be required to be performed on-site in the Purchaser's offices in Jackson, Mississippi, unless written approval is received from the State. Seller accepts full responsibility for all problems arising out of a decision to perform off-site work.

ARTICLE 38 SURVIVAL

Articles 9, 10, 11, 18, 22, 26, 31, 34, 35, 36, 40, and all other articles, which by their express terms so survive or which should so reasonably survive, shall survive any termination or expiration of this Agreement.

ARTICLE 39 DEBARMENT AND SUSPENSION CERTIFICATION

Seller certifies that neither it nor its principals: (a) are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency; (b) have, within a three (3) year period preceding this Agreement, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; (c) are presently indicted of or otherwise criminally or civilly charged by a governmental entity with the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and (d) have, within a three (3) year period preceding this Agreement, had one or more public transactions (federal, state, or local) terminated for cause or default.

ARTICLE 40 COMPLIANCE WITH ENTERPRISE SECURITY POLICY

Seller and Purchaser understand and agree that all products and/or services provided under this Agreement must allow Purchaser to be and remain in compliance with the State of Mississippi's Enterprise Security Policy. The parties understand and agree that the State's Enterprise Security Policy is based on industry-standard best practices, policy, and guidelines at the time of contract execution. The State reserves the right to update existing policy and/or introduce a new policy during the term of the Agreement. The Parties agree to work in good faith to resolve any compliance gaps identified with any new or revised policies applicable after the execution of this Agreement. If, at any time during the term of the Agreement, the products and/or services provided under this Agreement do not allow Seller and Purchaser to be and remain in compliance with the State of Mississippi's Enterprise Security Policy (new, revised, and/or existing), the State shall have the right to terminate the Agreement without assessment of any penalties or fees, and Seller shall be paid for all products and/or services rendered prior to the date of termination, and Seller shall refund any and all applicable unexpended prorated fees previously paid by Purchaser.

ARTICLE 41 STATUTORY AUTHORITY

By virtue of Section 25-53-21 of the Mississippi Code Annotated, as amended, the Executive Director of ITS is the purchasing and contracting agent for the State of Mississippi in the negotiation and execution of all contracts for the acquisition of information technology equipment, software, and services. The parties understand and agree that ITS as contracting agent is not responsible or liable for the performance or non-performance of any of Purchaser's or Seller's contractual obligations, financial or otherwise, contained within this Agreement. The parties further acknowledge that ITS is not responsible for ensuring compliance with any guidelines, conditions, or requirements mandated by Purchaser's funding source.

ARTICLE 42 TRANSPARENCY

In accordance with the Mississippi Accountability and Transparency Act of 2008, §27-104-151, et seq., of the Mississippi Code of 1972, as Amended, the American Accountability and Transparency Act of 2009 (P.L. 111-5), where applicable, and §31-7-13 of the Mississippi Code of 1972, as amended, where applicable, a fully executed copy of this Agreement and any subsequent amendments and change orders shall be posted to the State of Mississippi's accountability website at: <https://www.transparency.ms.gov>.

ARTICLE 43 FORCE MAJEURE

Each party shall be excused from performance for any period and to the extent that it is prevented from performing any obligation or service, in whole or in part, as a result of causes beyond the reasonable control and without the fault or negligence of such party and/or its subcontractors. Such acts shall include without limitation acts of God, strikes, lockouts, riots, acts of war or terrorism, epidemics, governmental regulations superimposed after the fact, fire, earthquakes, floods, or other natural disasters (the "Force Majeure Events"). When such a cause arises, the Seller shall notify the Purchaser immediately in writing of the cause of its inability to perform; how it affects its performance, and the anticipated duration of the inability to perform. Delays in delivery or in meeting completion dates due to Force Majeure Events shall automatically extend such dates for a period equal to the duration of the delay caused by such events, unless the State determines it to be in its best interest to terminate this Agreement.

ARTICLE 44 PRICE INCREASES

44.1 For any contract extension, in any form permitted under the contract, Seller may request a price adjustment, calculated based on the 12-month percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average, All Items, Not Seasonally Adjusted, as officially published by the U.S. Bureau of Labor Statistics (BLS). Price escalation must be approved by the State. If approved by the State, the Parties agree that the price escalation rate shall be based on the most recent index published for the month that is six (6) calendar months prior to the contract's expiration date or 5%, whichever less. This price escalation rate will be applied to each year's applicable costs for the term of the extension period.

44.2 In the event the BLS discontinues the publication of this specific CPI-U index, the parties shall mutually agree on a reasonable substitute index from the BLS or a comparable government source. If a substitute cannot be agreed upon within sixty (60) days of the index's discontinuation, the annual adjustment shall be held at the most recent capped percentage until a resolution is reached.

44.3 Failure of Seller to request a price adjustment during any eligible escalation period shall constitute a waiver of that year's adjustment. In such cases, no retroactive escalation shall be applied, and any future adjustment shall be calculated based solely on the most recent contract pricing in effect at the time of the request.

ARTICLE 45 ESCROW OF SOURCE CODE

45.1 With the execution of this Agreement, the Seller shall place and maintain a current copy of the data dictionary, Documentation, object code, and source code in escrow and shall furnish Purchaser with a copy of the escrow agreement and the name and address of the agent. The escrow agreement shall authorize the escrow agent to release, at no cost to Purchaser, the data dictionary, Documentation, object code, and source code to Purchaser if and when the Purchaser is deemed to have a right under this article. The Seller shall pay all costs of providing and maintaining the escrow agreement, including the fees of the escrow agent. The copy of the source code placed in escrow shall be reproduced and maintained on magnetic tape or disk using a commonly accepted data recording protocol. Program documentation sufficient to allow a competent programmer to use and maintain the source code programs must accompany the source code. When a change is made to the object code or source code by or on behalf of the Seller during the term of the escrow agreement, the revised code, including the change, shall be delivered to the escrow agent not later than thirty (30) calendar days after the change is effected by or on behalf of the Seller.

45.2 Provided that Purchaser is not then in substantial default under this Agreement, the Seller shall provide to Purchaser, at no cost and within ten (10) calendar days after receipt of Purchaser's written request for it, one (1) complete copy of the data dictionary, Documentation, object code, and source code used in the preparation of the Software and custom modifications to the source code and object code as a result of this Agreement, brought up to date as of the date of delivery of such source code to Purchaser, upon the occurrence of any of the following events: (a) Seller's cessation, for any reason, to do business; (b) Bankruptcy, receivership, insolvency, reorganization, dissolution, liquidation or other similar proceedings are instituted by or against Seller; (c) A general assignment for the benefit of creditors by Seller; (d) Seller discontinues providing maintenance of the software in accordance with its obligations pursuant to the Agreement; (e) Seller has breached (and if subject to a cure period, has not cured such breach within such period) a material term or condition of this Agreement or the Escrow Agreement; (f) Seller refused or fails to renew its maintenance and support obligations under this Agreement after Purchaser has requested such renewal; or (g) any or all material parts of the source code or object code are generally made available, with or without additional cost, to other users of comparable software.

45.3 Upon Purchaser's written request, the escrow agent shall promptly conduct, at Seller's expense, a Verification of the deposit materials in accordance with Purchaser's requirements and with the requirements herein stated. "Verification" as used herein, means a procedure or process to determine the accuracy, completeness, sufficiency and quality of the deposit materials at a level of detail reasonably requested by Purchaser. Verification may include, as required by Purchaser (or by a third party on behalf of Purchaser), file listing, compilation, size comparison, function comparison and on-line comparison services. A copy of the verification results shall be immediately provided by the escrow agent to the State.

45.4 Purchaser (or a third party on behalf of Purchaser) reserves the right from time to time and at any time to cause Verification of the deposit materials and to examine the deposit materials to verify conformance to the requirements of RFP No. 3733, the Seller's Proposal, as accepted by Purchaser, in response thereto, and this Agreement, all at Purchaser's expense. Except as otherwise required by Purchaser (or by a third party on behalf of Purchaser and reasonably approved by Seller), all Verification tasks shall be performed solely by employees of escrow agent and, at Purchaser's option, of Purchaser or a third party engaged by Purchaser (subject to Seller's reasonable approval of Purchaser), without interference from Seller; provided, however, that if and to the extent requested by Purchaser (or by a third party on behalf of Purchaser), Seller shall at Seller's expense provide to the escrow agent and/or Purchaser all reasonably necessary assistance and cooperation in connection with the performance of any Verification. Any Technical Verification performed by the escrow agent or a third party engaged by the escrow agent (and acceptable to Purchaser) shall be performed in a good, workmanlike, timely and professional manner by qualified persons fully familiar with the requirements, materials and technology involved in performing such Verifications.

45.5 Seller shall, at its expense, implement a procedure whereby the escrow agent shall notify Purchaser of all deposits to the software escrow based on software release updates. It is understood and agreed that updates shall occur at least on a quarterly basis.

For the faithful performance of the terms of this Agreement, the parties have caused this Agreement to be executed by their undersigned representatives.

**State of Mississippi, Department of
Information Technology Services, on
behalf of Mississippi Board of
Cosmetology and Barbering**

Thoughtspan Technology, LLC

By: _____
Authorized Signature

By: _____
Authorized Signature

Printed Name: Craig P. Orgeron, Ph.D.

Printed Name: _____

Title: Executive Director

Title: _____

Date: _____

Date: _____

**Mississippi Board of Cosmetology and
Barbering**

By: _____
Authorized Signature

Printed Name: _____

Title: _____

Date: _____

EXHIBIT A

Description	Quantity	Unit Cost	Extended Cost
Software and License Fee			
License & Administration	1	\$150,000.00	\$150,000.00
Enforcement	1	\$50,000.00	\$50,000.00
		Subtotal:	\$200,000.00
Phase 1 - Licensure & Administration			
Workflow Discovery	included	\$0.00	\$0.00
Configuration specific to MSBCB	100	\$130.00	\$13,000.00
Interface Development	40	\$130.00	\$5,200.00
Conversion	60	\$130.00	\$7,800.00
Implementation Support	60	\$130.00	\$7,800.00
Project Management	included	\$130.00	\$0.00
		Subtotal:	\$33,800.00
Phase 2 - Enforcement			
Workflow Discovery	included	\$0.00	\$0.00
Configuration specific to MSBCB	80	\$130.00	\$10,400.00
Implementation Support	40	\$130.00	\$5,200.00
Project Management	included	\$130.00	\$0.00
Travel	40	\$280.00	\$11,200.00
		Subtotal:	\$26,800.00
		Total Software and Implementation:	\$260,600.00
Maintenance			
Annual Maintenance Year 1	1	\$0.00	\$0.00
Annual Maintenance Year 2	1	\$60,000.00	\$60,000.00
Annual Maintenance Year 3	1	\$63,000.00	\$63,000.00
Annual Maintenance Year 4	1	\$66,150.00	\$66,150.00
Annual Maintenance Year 5	1	\$69,458.00	\$69,458.00
		Total Maintenance	\$258,608.00
		Grand Total	\$519,208.00
Fully Loaded Hourly Change Order Rate			\$130.00

EXHIBIT B

Statement of Work

1. Introduction

1.1 Purpose and Goals

The purpose of this project is to replace the legacy licensing system currently utilized by the MS State Board of Cosmetology and Barbering (MSBCB). The project will include customization of the software to meet MSBCB requirements, data conversion, implementation and 5 years of technical support. This project will utilize the procurement documents and winning vendor proposal pursuant to RFP 3733 for provision of a License Management System for the Mississippi Board of Nursing.

1.2 Project Goals and Strategy

The primary goal of the project is to customize, test and implement a COTS License Management and Enforcement System, which will serve the needs of MSBCB for the next decade. The project includes conversion of data from the MSBCB legacy system. ThoughtSpan will also provide training to MSBCB staff in the use and management of the system. After production implementation, ThoughtSpan will provide 5 years of technical support for the system. MSBCB will acquire the appropriate hardware and equipment necessary to operate the ThoughtSpan system, which will be hosted at ITS. Both MSBCB and ThoughtSpan will assign a project manager to be responsible for successful management of the project.

1.3 Assumptions

- Most of the work by the vendor will occur off-site at the offices of ThoughtSpan.
- ThoughtSpan will cooperatively develop functional and technical specifications with MSBCB.
- Expenses for travel beyond those covered in the implementation budget will be pre-approved by MSBCB and ThoughtSpan and will be billed as incurred.
- Implementation budget is intended to cover all discovery, development, testing and implementation costs of the project. During the project life-cycle, this budget may be mutually adjusted and agreed upon due to requirement changes, as defined by approved change orders.
- Costs incurred by ThoughtSpan outside the scope of this agreement will be billed at the standard hourly rate (\$130 per hour), subject to approved change orders.

2. Project Scope

2.1 Scope

The system will manage all MSBCB License types. It will provide applicants and licensees self service for license applications and renewals. The system will allow applicants and licensees to pay required fees online. The system will generate the required correspondences for applicants and licensees and provide the desired reporting capabilities for MSBCB staff. The system will generate the appropriate license wall certificates and wallet cards. In addition, the system will support the Investigations Division by providing comprehensive functionality for capturing and

managing complaints as well as enforcement cases. The system will also provide functionality for Professional Verification and Public Records Requests.

License types to be supported by the system are documented in the table below. Renewals and Reinstatements (where applicable) for all license types will also be included. Other processes and functionality associated with the licenses listed below will be identified and documented in the specification gathering phase. These will be included.

Table 2.1 License Types

License/Permit/App Type	Action
Practitioner	Initial, Renewal, Reinstatement
Instructor	Initial, Renewal, Reinstatement
Specialty	Initial, Renewal, Reinstatement
Apprentice	Initial, Renewal, Reinstatement
Establishment	Initial, Renewal, Reinstatement
School	Initial, Renewal, Reinstatement

2.2 Out of Scope

The below elements are specifically listed as out of scope, in order to better clarify what is covered by this project:

- Hosting services by ThoughtSpan. The QA and Production systems will be hosted at Mississippi Information Technology Services (ITS).

3. Cost

3.1 Cost Summary

The project cost will be based on rates specified in the 2014 contract between ThoughtSpan and the Mississippi Board of Nursing. In compliance with RFP 3733, ThoughtSpan must honor the hourly rates and licensee fees that were offered to the original agency (Board of Nursing) for any subsequent contract awarded under that RFP. The master contract contains the official cost breakdown.

3.2 Payment Schedule

Payment will be made according to the schedule below. Payments will be made pursuant to an approved invoice from ThoughtSpan to be delivered upon completion of the specified milestone as documented in the table below. The ThoughtSpan invoice must be approved by the MSBCB Project manager, Executive Director, or IT Director.

Milestone	Approval Criteria	Payment Amount
Licensing & Enforcement License fees	Upon delivery of core software on DEV server	\$50,000.00
	Upon delivery of final specifications	\$50,000.00

Milestone	Approval Criteria	Payment Amount
	Upon delivery of Licensing customizations to UAT	\$50,000.00
	Upon delivery of Enforcement customizations to UAT	\$50,000.00
Licensing System Implementation fee <ul style="list-style-type: none"> - Software configuration - Interface development - Data conversion - Implementation support - Project Management 	Upon Licensing Production implementation	\$33,800.00
Enforcement Implementation fee <ul style="list-style-type: none"> - Software configuration - Implementation support - Project Management - Travel 	Upon Enforcement Production Implementation	\$26,800.00
Annual Maintenance Year 1	At contract execution	\$0.00
Annual Maintenance Year 2	At 1st Anniversary of contract execution	\$60,000.00
Annual Maintenance Year 3	At 2nd Anniversary of contract execution	\$63,000.00
Annual Maintenance Year 4	At 3rd Anniversary of contract execution	\$66,150.00
Annual Maintenance Year 5	At 4th Anniversary of contract execution	\$69,458.00
Total 5 Year Cost		\$519,208.00

4. Schedule

4.1 Milestone List

The following are the milestones for the project as estimated at the outset of the project. A detailed project schedule has been developed, which identifies all project activities that are necessary in order to achieve these milestones. The detailed project schedule incorporates the ThoughtSpan technical project tasks, schedule and assignments. These dates may change throughout the project lifecycle. Milestone date changes should not normally require a change order, unless the final production implementation date is materially affected.

The project schedule will be re-estimated upon the conclusion of the Phase 1 design review.

Table 4.1 Project Milestones

Milestone Name	Planned Completion Date
Project Plan finalized	2 weeks from contract date
Delivery of Final Specifications	4 weeks from contract date

Milestone Name	Planned Completion Date
Licensure System Customizations complete	14 weeks from contract date
Licensure System Design Review and Testing Complete	18 weeks from contract date
Licensure System Production Implementation	TBD
Enforcement System Customizations Complete	24 weeks from contract date
Enforcement System Design Review and Testing Complete	28 weeks from contract date
Enforcement Production Implementation	TBD

4.2 Annual Maintenance Period Start

At contract execution.

5. Resources

5.1 Project Team

At the outset of the project, the below individuals are expected to have a role during the project lifecycle.

Table 5.1 Project Responsibilities

Name	Role	Responsibilities
ThoughtSpan		
Monroe Limer	Vendor Project Manager	Manage all vendor activities as part of the project
Greg Luke	Lead Analyst	Provide technical services throughout the project
Mark Roach	Test Lead	
MSBCB		
TBD	MSBCB Project Manager	Manage MSBCB activities. Maintain project plan
TBD	IT Director – Lead Analyst	Provide technical expertise for system functions and data
TBD	Director of Licensing	SME for Licensing and signoff on specs and testing
TBD	Director of Compliance	SME for Enforcement and signoff on specs and testing
TBD	Licensing Officer	Testing on behalf of business unit

5.2 Software and Material Resources

The software to be implemented as the major deliverables for this project are as follows:

- EAST – Base License Management Software including full system administration toolset
- Gateway Licensee Portal
- Enforcement and Investigations Module, including complaints, case management and inspections

5.3 Network Infrastructure Requirements

The QA and Production systems will be hosted at Mississippi Information Technology Services (ITS). Full specifications for network and hardware requirements will be developed as part of the project.

5.4 Production Support Requirements

The system will be supported by MSBCB as the first level of support for customer issues and problems. Problems related to hardware and network may be referred to ITS for resolution. Any problems that cannot be resolved by MSBCB or ITS, including technical issues with the base software, will be referred to ThoughtSpan technical support. ThoughtSpan will provide warranty support for the first year of production, followed by 4 additional years of technical support, as outlined in the annual support provisions of the contract.

6. Communication

6.1 Stakeholders

The below individuals have a significant stake in the successful outcome of this project:

Table 6.1 Stakeholders

Name	Role	Reasons for Interest
MSBCB		
Board Members	MSBCB Board	Effective business processes for licensees and public
Catherine Bell	Executive Director	Effective implementation of organizational objectives
TBD	Director of Licensing	Effective business processes for licenses
TBD	Director of Compliance	Effective business processes for complaints/enforcement
Licensees & Public	Customers	Consumers of MSBCB activities. Represented by Board
ITS		
Craig Orgeron	Executive Director	Signatory on contract
TBD	Technology Consultant	Manages procurement documents on behalf of ITS
ThoughtSpan		
Monroe Limer	President	Vendor project manager and co-owner of company
Kevin Warren	Co-owner	Co-owner of company

6.2 Status Meetings

Table 6.2 Status Meetings

Meeting Type	Participants	Frequency
Project Status Meeting	MSBCB Project team, T.S. Project Manager	Weekly
Special Status Meetings	MSBCB and ThoughtSpan project teams	As needed based on project phase

6.3 Status Reporting

Table 6.3 Status Reporting

Report Type	Content	Author	Recipients	Frequency
Weekly Status	Status of ThoughtSpan activities	ThoughtSpan Project Mgr.	MSBCB Project Mgr.	Weekly
Directors Meeting	Overall project status	MSBCB Project Mgr.	MSBCB Exec Director and other Directors	Fortnightly
Monthly report	Overall project status	MSBCB Project Mgr.	MSBCB Ops Committee	Monthly Ops mtg.

7. Project Risks

Risk Identification, Assessment and Risk Responses

The MSBCB Project Manager will maintain a Risk Register, where any project risks will be documented, along with mitigation plans. At the outset of the project the following risks have been identified:

Table 7.1 Project Risk Overview

Risk Title	Description of Risk Impact	Risk Response Strategy
Schedule Risk	Milestone dates outlined should allow for minor variances and delays. More major delays would need to be mitigated.	Rigorous PM schedule management

8. Project Processes

8.1 Project Tracking and Control

The MSBCB Project Manager will maintain a project plan and schedule, with the assistance of the ThoughtSpan project manager, who will provide project management input for vendor activities. That input will include current and planned activities, project status, issues and risks, and dependencies.

8.2 Change Control Process

The project will be managed according to the original scope, described by RFP 3733, the ThoughtSpan proposal, the contract and this statement of work. No changes to scope will be allowed without a formal change order being approved. Neither MSBCB nor ThoughtSpan will be obligated to execute a change order. A change order will state the additional cost incurred, along with the impact upon project scope and schedule. The cost will be estimated using the standard hourly rate provided in the contract. Upon execution of the change order, the price will become fixed and payment will be made upon completion of the work described in the change order at the total fixed price stated.

Table 8.2 Process Summary

Process Step	Approach
Who can submit change requests?	Any project team member or stakeholder
How should they be submitted? (e-mail; phone; conversation)	A formal change order form will be created and must be utilized for approval by both parties.
Who will document and track requests using what method?	The MSBCB project manager will document and track change orders.
Who will decide if the change should be investigated or not?	The MSBCB project manager, in consultation with the Director Licensing, Director Investigations, Director IT, and the Executive Director.
Who will decide if the change should be implemented or not?	Final authority for executing a change order rests with the MSBCB Executive Director, with approval by the ThoughtSpan project manager.
How often will changes be reviewed?	As needed.
Who will communicate decisions back to requester and team, using what means?	The MSBCB project manager will communicate decisions to all team members and stakeholders in writing.
Is there an escalation process if the requester doesn't like the answer?	Any disputes with regards to change orders, which cannot be resolved between MSBCB and ThoughtSpan, will be referred to the Executive Director ITS as specified in the contract.

8.3 Customer Acceptance Process

Deliverables will be accepted by the MSBCB project manager and the vendor will be notified in writing. Acceptance by MSBCB is dependent on approval by the appropriate project team members and/or stakeholders.

8.4 Issue Management and Escalation Process

Issues will be identified throughout the project lifecycle and discussed during weekly status meetings. Issues will be assigned for action as necessary by the appropriate project manager (MSBCB or ThoughtSpan) depending on which organization is in the best position to resolve the

issue. If an issue can't be resolved at the project manager level, it will be escalated to the MSBCB Executive Director for review and action.

