



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES

25 Capitol Street – Room 100
Concord, New Hampshire 03301
(603) 271-3201 Office@das.nh.gov

124 MLC

Charles M. Arlinghaus
Commissioner

Catherine A. Keane
Deputy Commissioner

Sheri L. Rockburn
Assistant Commissioner

October 18, 2023

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Administrative Services (DAS) to enter into a contract with International Consulting Acquisition Corp., d/b/a ISG Public Sector (VC#315675), Stamford, CT in an amount up to and not to exceed \$1,557,000 for Independent Verification & Validation (IV&V) Services of Enterprise Resource Planning (ERP) Implementation Services with the option to extend for up to six additional months effective upon Governor and Executive Council approval through October 31, 2025. 100% General Funds.

Funding is available from account # 14-142010-28070000-034-500099, Department of Administrative Services, Major IT Systems, for Fiscal Year 2024 and contingent upon availability and continued appropriations in subsequent budgets through Fiscal Year 2026, with the authority to adjust encumbrances between fiscal years within the price limitation through the Budget Office, if needed and justified.

EXPLANATION

The purpose of this request is to obtain authority to enter into a contract with International Consulting Acquisition Corp., d/b/a ISG Public Sector (ISG), to provide IV&V services related to the upgrade of the State's ERP system, NH FIRST, to the most recent version of Infor's Cloudsuite solution with implementation services being completed by Infor (US), LLC (Infor) under contract (Contract #8003305; approved by Governor and Executive Council on May 17, 2023, item #157).

DAS, through the Division of Procurement and Support Services, issued Request for Proposal (RFP) 2703-23 on July 7, 2023, with responses due on August 11, 2023. This RFP reached 444 vendors through the NIGP electronic sourcing platform. DAS received four responses, one of which was non-compliant. The three compliant proposals that were evaluated were from ISG, Berry Dunn, and Guidehouse. ISG achieved the highest overall score.

The Scoring of the Proposal was based on the combined score of the Financial (50%) and Technical (50%) components. The evaluation team consisted of the following members:

Catherine Keane, DAS Deputy Commissioner, Alexander Stone, DAS Director Division of Enterprise Applications Management, Lynda Martel, DAS Deputy Director Division of Enterprise Applications Management, Steven Kelleher, DoIT Director of Governance and Strategic Planning, Gary Lunetta DAS Director Division of Procurement & Support Services, Mathew Stanton DAS Deputy Director Division of Procurement & Support Services, and Andrew Bennett DAS Administrator II Division of Procurement & Support Services. The evaluation team met and unanimously selected ISG as the highest scoring respondent. Specifically, ISG was selected on the strength of its technical proposal and its second lowest financial bid that was within less than \$10,000 of the lowest financial bid. Notably, ISG provided IV&V services to the State of Idaho that recently implemented an Infor Cloudsuite ERP and has a solid history of providing IV&V services to ERP projects conducted by approximately 25 other states.

Upon approval, ISG will provide independent, third-party monitoring and oversight including the bi-weekly and monthly delivery of detailed reporting and progress metrics to the State project team and executive leadership respectively. This reporting structure will document State resource and Infor implementation and migration accomplishments and challenges as both teams work to transition the State's aging on-premise platform to a modern cloud-hosted environment within the prescribed project scope and on budget. IV&V participation is a critical element of a project of this size to achieve project goals.

This contract, upon approval, will facilitate timely project delivery by identifying risks, mitigating delays, and recommending corrective action measures based on industry standard best practices and experience from other state ERP implementations. IV&V involvement offers real time unbiased performance reporting necessary to allow timely course correction and supports the successful completion of large scale and complex technology enhancement projects. This contract, if approved, will provide the state with access to independent oversight resources with proven experience monitoring public sector ERP cloud implementations.

IV&V oversight has proven very effective with other large State of New Hampshire information technology projects, such as the Department of Revenue Administration's implementation of the new revenue information management system (RIMS). The IV&V vendor on the RIMS project supplied consistent oversight of the project, providing health assessments, report cards and guidance to ensure the project stayed on track, the vendor executed its responsibilities as required by the contract, and the project stayed within budget. We anticipate the same outcome based on the detailed experience and familiarity ISG has proven with Infor implementation projects in the States of Rhode Island and Idaho.

Based on the foregoing, I am respectfully recommending approval of the contract with International Consulting Acquisition Corp., d/b/a ISG Public Sector.

Respectfully submitted,



Charles M. Arlinghaus
Commissioner



Division of Procurement Support Services
Bureau of Purchase Property

Gary S. Lunetta
Director
(603) 271-2201

RFP Scoring Summary

Bid Description	IV&V	Agency	DAS
RFP#	2703-23		
Agent Name	Mathew Stanton	Bid Closing	8/24/23 @ 10:00 AM

Vendor		Financial Score	Technical Score	Final Score
ISG		28	50	77
Berry Dunn		28	41	69
Guidehouse		21	36	57
Cendien		Non-Compliant	Non-Compliant	Non-Compliant
Indicates awarded	Formula	(Low Overall Bidder Cost/Bidder Cost) * 50 = Points Assessed		



STATE OF NEW HAMPSHIRE
DEPARTMENT OF INFORMATION TECHNOLOGY

27 Hazen Dr., Concord, NH 03301
Fax: 603-271-1516 TDD Access: 1-800-735-2964
www.nh.gov/doit

Denis Goulet
Commissioner

October 2, 2023

Charles M. Arlinghaus, Commissioner
Department of Administrative Services
State of New Hampshire
25 Capitol Street – Room 100
Concord, NH 03301

Dear Commissioner Arlinghaus:

This letter represents formal notification that the Department of Information Technology (DoIT) has approved your agency's request to enter into a contract with International Consulting Acquisition Corp. d/b/a ISG Public Sector, as described below and referenced as DoIT No. 2023-062.

The purpose of this request is to obtain authority to enter into a contract with International Consulting Acquisition Corp., d/b/a ISG Public Sector (ISG), to provide IV&V services related to the upgrade of the State's ERP system, NH FIRST, to the most recent version of Infor's Cloudsuite solution with implementation services being completed by Infor (US), LLC.

The Total Price Limitation will be \$1,557,000.00 effective upon Governor and Executive Council approval through October 31, 2025.

A copy of this letter must accompany the Department of Administrative Services' submission to the Governor and Executive Council for approval.

Sincerely,

Denis Goulet

DG/RA
DoIT #2023-062


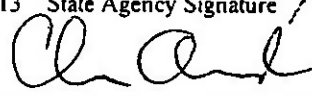
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Administrative Services Bureau of Purchase and Property		1.2 State Agency Address 25 Capitol Street, Room 102 Concord, NH 03301	
1.3 Contractor Name International Consulting Acquisition Corp. d/b/a ISG Public Sector		1.4 Contractor Address 2187 Atlantic Street, Stamford, CT 06902	
1.5 Contractor Phone Number 1-512-970-0745	1.5 Account Unit and Class Various	1.6 Completion Date October 31, 2025	1.7 Price Limitation \$1,557,000.00
1.8 Contracting Officer for State Agency Gary Lunetta		1.10 State Agency Telephone Number 603-271-2201	
1.11 Contractor Signature  Date: 09/28/2023		1.12 Name and Title of Contractor Signatory Nathan L. Frey, Partner	
1.13 State Agency Signature  Date: 9/28/23		1.14 Name and Title of State Agency Signatory Charles M. Arlinghaus, Commissioner	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: <i>Christen Lavers</i> On: 10/2/2023			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

2. SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT B which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed.

3.3 Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8. The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance

hereof, and shall be the only and the complete compensation to the Contractor for the Services.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 The State's liability under this Agreement shall be limited to monetary damages not to exceed the total fees paid. The Contractor agrees that it has an adequate remedy at law for any breach of this Agreement by the State and hereby waives any right to specific performance or other equitable remedies against the State.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws and the Governor's order on Respect and Civility in the Workplace, Executive order 2020-01. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of age, sex, sexual orientation, race, color, marital status, physical or mental disability, religious creed, national origin, gender identity, or gender expression, and will take affirmative action to prevent such discrimination, unless exempt by state or federal law. The Contractor shall ensure any subcontractors comply with these nondiscrimination requirements.

6.3 No payments or transfers of value by Contractor or its representatives in connection with this Agreement have or shall be made which have the purpose or effect of public or commercial bribery, or acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business.

6.4. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with this Agreement and all rules, regulations and orders pertaining to the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 The Contracting Officer specified in block 1.9, or any successor, shall be the State's point of contact pertaining to this Agreement.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

- 8.1.1 failure to perform the Services satisfactorily or on schedule;
- 8.1.2 failure to submit any report required hereunder; and/or
- 8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

- 8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) calendar days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) calendar days after giving the Contractor notice of termination;
- 8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
- 8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
- 8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) calendar days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) calendar days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. In addition, at the State's discretion, the Contractor shall, within fifteen (15) calendar days of notice of early termination, develop and submit to the State a transition plan for Services under the Agreement.

10. PROPERTY OWNERSHIP/DISCLOSURE.

10.1 As used in this Agreement, the word "Property" shall mean all data, information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulac, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

10.2 All data and any Property which has been received from the State, or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

10.3 Disclosure of data, information and other records shall be governed by N.H. RSA chapter 91-A and/or other applicable law. Disclosure requires prior written approval of the State.

11. **CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 Contractor shall provide the State written notice at least fifteen (15) calendar days before any proposed assignment, delegation, or other transfer of any interest in this Agreement. No such assignment, delegation, or other transfer shall be effective without the written consent of the State.

12.2 For purposes of paragraph 12, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.3 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State.

12.4 The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. **INDEMNIFICATION.** The Contractor shall indemnify, defend, and hold harmless the State, its officers, and employees from and against all actions, claims, damages, demands, judgments, fines, liabilities, losses, and other expenses, including, without limitation, reasonable attorneys' fees, arising out of or relating to this Agreement directly or indirectly arising from death, personal injury, property damage, intellectual property infringement, or other claims asserted against the State, its officers, or employees caused by the acts or omissions of negligence, reckless or willful misconduct, or fraud by the Contractor, its employees, agents, or subcontractors. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the State's sovereign immunity, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all Property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the Property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or any successor, a certificate(s) of insurance for all insurance required under this Agreement. At the request of the Contracting Officer, or any successor, the Contractor shall provide certificate(s) of insurance for all renewal(s) of insurance required under this Agreement. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Contractor shall furnish the Contracting Officer identified in block 1.9, or any successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. A State's failure to enforce its rights with respect to any single or continuing breach of this Agreement shall not act as a waiver of the right of the State to later enforce any such rights or to enforce any other or any subsequent breach.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

19. CHOICE OF LAW AND FORUM.

19.1 This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire except where the Federal supremacy clause requires otherwise. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

19.2 Any actions arising out of this Agreement, including the breach or alleged breach thereof, may not be submitted to binding arbitration, but must, instead, be brought and maintained in the Merrimack County Superior Court of New Hampshire which shall have exclusive jurisdiction thereof.

20. CONFLICTING TERMS. In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and any other portion of this Agreement including any attachments thereto, the terms of the P-37 (as modified in EXHIBIT A) shall control.

21. THIRD PARTIES. This Agreement is being entered into for the sole benefit of the parties hereto, and nothing herein, express or implied, is intended to or will confer any legal or equitable right, benefit, or remedy of any nature upon any other person.

22. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

23. SPECIAL PROVISIONS. Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

24. FURTHER ASSURANCES. The Contractor, along with its agents and affiliates, shall, at its own cost and expense, execute any additional documents and take such further actions as may be reasonably required to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby.

25. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

26. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.

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Contractor Initials nlb
Date 09/28/23

EXHIBIT A SPECIAL PROVISIONS

Provision 10, is hereby updated with the following additions:

10.2.1 Notwithstanding the above, Contractor shall retain its rights to its own intellectual property, provided that the State will have the right to keep any work product produced by the vendor under the terms and conditions of this Agreement.

EXHIBIT B SCOPE OF SERVICES

1. INTRODUCTION

- 1.1. International Consulting Acquisition Corp. d/b/a ISG Public Sector (hereinafter referred to as the "Contractor") hereby agrees to provide the State of New Hampshire (hereinafter referred to as the "State"), Department of Administrative Services, with Independent Verification & Validation (IV&V) Services of Enterprise Resource Planning (ERP) Implementation Services in accordance with this Agreement, Request for Proposals (RFP) 2703-23, and the Contractor's proposal response.

2. CONTRACT DOCUMENTS

- 2.1. This Contract consists of the following documents ("Contract Documents"):
 - 2.1.1. State of New Hampshire Terms and Conditions, General Provisions Form P-37
 - 2.1.2. EXHIBIT A Special Provisions
 - 2.1.3. EXHIBIT B Scope of Services
 - 2.1.4. EXHIBIT C Method of Payment
 - 2.1.5. EXHIBIT D RFP 2703-23
 - 2.1.6. EXHIBIT E Contractor's Proposal Response
- 2.2. In the event of any conflict among the terms or provisions of the documents listed above, the following order of priority shall indicate which documents control: (1), Form Number P-37 as modified by EXHIBIT A "Special Provisions, (2) EXHIBIT B "Scope of Services," (3) EXHIBIT C "Method of Payment," (4) EXHIBIT D "RFP 2703-23," and (5) EXHIBIT E "Contractor's Proposal Response."

3. TERM OF CONTRACT

- 3.1. The term of the contract shall commence upon approval of the Governor and Executive Council through October 31, 2025, a period of approximately twenty four (24) months.
- 3.2. The Contract may be extended for up to six (6) months thereafter upon the same terms, conditions, and pricing structure with the approval of the Governor and Executive Council.

4. CHANGE MANAGEMENT PROCEDURE

- 4.1. Should the project experience delays that are expected to require IV&V services beyond the initial 18-month Infor implementation period, the State and Contractor will agree upon a schedule for deferral of Contractor's services and deliverables for an agreed upon period, which can be applied to the later months of the project. For example, if a two-month delay occurring in months 10 and 11 of the project is expected to extend the completion date to 20 months, the State and Contractor would agree in month 9 to defer services in months 10 and 11 for resumption of Contractor services for the remaining months 12 through 20 (i.e., the final month of the project).
- 4.2. Any IV&V services desired beyond the proposed quantities noted herein can be addressed through a negotiated change order and subsequent contract amendment.

5. SCOPE OF WORK

- 5.1. The Contractor shall provide IV&V services throughout the Infor Cloud project. IV&V services include independent, timely analysis and feedback to the project's governance oversight committee, the Governor and Executive Council and other groups as mutually agreed based on the State's needs and Contractor's experience with similar projects. Throughout the project, Contractor shall review the State of New Hampshire's and Infor's work and work products for quality, accuracy, completeness, data migrations and adherence to contractual and functional/technical requirements as applicable. The Contractor's written review and reports shall identify schedule delays, cost and technical inconsistencies, errors, and/or other issues that may present a risk(s) to the project and will recommend acceptance or rejection of deliverables based upon the criteria outlined in this Agreement.
- 5.1.1. The Contractor shall meet with the State and Infor to understand how the ERP project is being managed in the areas of cost, schedule, scope, risks/issues, project quality, stakeholder satisfaction, stakeholder engagement, and project management.
- 5.2. The Contractor shall conduct IV&V in parallel with program activities and will include independent evaluation to validate that the systems shall perform required business functions at the correct time in each wave of the project's life cycle. To complete these tasks, the Contractor shall establish and document a set of IV&V guidelines that will be utilized to validate implementation compliance with user, contract, program, and functional requirements.
- 5.3. The Contractor, in collaboration with the State and Infor, shall develop a list of metrics to define how project health will be assessed on this project. Contractor shall then establish and finalize the project health assessment. Contractor shall develop an "initial draft" report card containing metrics and a recommended assessment process. A report card will be created to present the metrics. Contractor shall meet with governance oversight committee for internal review and feedback prior to further distribution.
- 5.4. The Contractor shall develop an information request sheet for the purpose of requesting information from Infor if needed to complete health assessments.
- 5.5. The Contractor shall review project documentation.
- 5.6. Once the methodology has been established to the satisfaction of the State, the Contractor shall conduct health assessments at intervals approved by the State. The Contractor shall conduct each health assessment using the following steps:
 - 5.6.1. The Contractor shall conduct on-site fact-finding and update the governance oversight committee with findings and recommendations.
 - 5.6.2. The Contractor shall do such other services as may be reasonably necessary to perform the periodic health assessments, if requested and approved by the State in writing in advance.
 - 5.6.3. All time estimates may be adjusted up or down in the State's discretion as the situation necessitates.
- 5.7. Independent Verification Services
 - 5.7.1. The Contractor shall provide independent verification of deliverables pertaining to all phases/waves of the ERP implementation project. These services will be derived from industry best practices and established quality control principles, and all verification artifacts will be based on the approved, allocated and prioritized requirements for the solution. In general, the Contractor's verification services shall include:
 - 5.7.2. Development and implementation of an IV&V Management Plan documenting the objectives, scope, approach, standards and procedures, tools, etc., to be used in the verification effort;

- 5.7.2.1. Ongoing observation and assessment of project activities;
- 5.7.2.2. Review of key project deliverables;
- 5.7.2.3. Administration activities and tasks in support of the verification effort.

5.8. Independent Validation Services

5.8.1. The Contractor shall also provide validation support services to confirm that business requirements, issues, and risks have been satisfactorily addressed in accordance with best practices. The validation services aim to confirm the new Infor ERP solution implemented by Infor meets the defined business needs of the State and that necessary training, policy, process, and procedural changes have been defined and implemented according to the contract and work plan between the State and Infor. In general, the Contractor's validation services include:

- 5.8.1.1. Providing independent, objective guidance and expertise to increase project success and lower implementation risks.
- 5.8.1.2. Offering perspective and recommendations on the health of the ERP implementation project from an experienced, neutral third party to improve the management of the solution in accordance with practices that reduce risk and support achievement of the stated project objectives;
 - 5.8.1.2.1. Communicate lessons learned from other implementation and redesign experiences to limit rework;
 - 5.8.1.2.2. Provide recommendations on a revised course of action to limit the impact of potential issues and risks.

5.8.2. The Contractor shall provide all services and deliverables as required, described, and detailed by this Request for Proposal ("RFP") and shall meet all service and delivery timelines. The Contractor shall establish a preliminary project schedule with delivery timelines within 30 days of the date of the contract award and such schedule shall directly correspond to the state's agreed upon timeline with Infor. In the event Infor adjusts its preliminary project plan and timeline, the Contractor shall adjust its preliminary project schedule as requested by the state to align with Infor's adjustments.

5.8.3. General Consulting Requirements:

- 5.8.3.1. Actively participate in any statewide project meeting(s) with the State and Infor.
- 5.8.3.2. Perform recurring verification, validation, and reporting efforts monthly and for each end of phase/wave as defined by the project schedule.
- 5.8.3.3. Review and ensure that best practices are followed and that where deviation from defined best practices occurs, it is justified based on valid and verified cause.
- 5.8.3.4. Verify and validate that best practices and processes are being utilized by Infor to achieve results that are in the best interest of the ERP project.
- 5.8.3.5. Provide comments and observations during the implementation of the ERP project with specific recommendations for the governance oversight of the project to consider.
- 5.8.3.6. Apply quality management approach and standards (both process and product standards) to include quality planning, quality control, quality assurance, and risk management throughout the lifecycle of the project.
- 5.8.3.7. The following table contains a nonexclusive list of tasks to be performed.

5.8.3.7.1. Project Management

Task #	Task Description
PM1	Evaluate the project management plans and procedures to verify that they are developed, communicated, implemented, monitored, and completed.
PM2	Initial evaluation of project reporting plan, meeting cadence and actual project reports to verify project status is accurately traced using project metrics.
PM3	Verify milestones and completion dates are planned, monitored, and met.
PM4	Verify the existence and communication of an appropriate project issue tracking mechanism that documents issues as they arise, enables communication of issues to proper stakeholders, documents a mitigation strategy as appropriate, and tracks the issue to closure. This should include but is not limited to technical and development efforts.
PM5	<p>Reviews should include, but are not limited to the following:</p> <ul style="list-style-type: none"> • Project Charter, • Project Schedule, • Project Scope by workstream, • Communication plan, • Data migration and validation Plan, • Testing Plan • Organizational Change Management Plan • Training Plan, (Including LMS & User Adoption Platform (UAP) tools) • Staffing Plan, • Project Reporting Plan • Interface Plan • Conversion Plan • Acceptance & Hand Over Plan

5.8.3.7.2. Risk Management

Task	Task Description
RM1	Evaluate the project's risk management plans and procedures to verify that risks are identified and quantified and that mitigation plans are developed, communicated, implemented, monitored, and completed.
RM2	Interview stakeholders to identify additional risks and work with project team to identify risk mitigation strategy.
RM3	Develop and maintain an independent risk management log for each project of risks identified by IV&V not identified by the Implementation, Organizational Change Management(OCM), and Training teams.

5.8.3.7.3. Project Estimating and Scheduling

Task	Task Description
PE1	Evaluate and make recommendations on the estimating and scheduling process of the project to ensure that the project budget and resources are adequate for the work breakdown structure and schedule.
PE2	Review schedules to verify that adequate time and resources are assigned for planning, development, review, testing and rework, and final deployment readiness.

5.8.3.7.4. Project Staffing

Task	Task Description
PS1	Verify that the project's organizational structure supports training, process definition, independent Quality Assurance, Configuration Management, product evaluation, Change Management, and any other functions critical for the project's success.
PS2	Verify that the obligations of Infor sub-contractors and any potential external staff (terms, conditions, statement of work, requirements, standards, development milestones, acceptance criteria, delivery dates, etc.) are clearly defined.
PS3	Verify that subcontractors have and maintain the required skills, personnel, plans, resources, procedures, and standards to meet their commitment.

PS4	Verify that State oversight is provided in the form of periodic status reviews and technical interchanges by the appropriate stakeholders.
PS5	Verify that the State has defined the technical and managerial inputs the vendor(s) need (reviews, approvals, requirements, and clarifications, etc.) and has the resources to supply them on schedule.
PS6	Verify that the appropriate staff has the ultimate responsibility for monitoring project cost and schedule across the whole program.

5.8.3.7.5. Configuration Management

Task #	Task Description
CM1	Review and evaluate the configuration management (CM) plans and procedures associated with the development process.
CM2	Verify that all critical development documents, including but not limited to requirements, design, and code are maintained under an appropriate level of control.
CM3	If code development is required, verify that the processes and tools are in place to identify code versions and to rebuild system configurations from source code.
CM4	If code development is required, verify that appropriate source code is maintained for training, testing, and production and that formal sign-off procedures are in place for approving work products.
CM5	Verify that appropriate processes and tools are in place to manage system changes, including formal logging of change requests and the review, prioritization, and timely scheduling of maintenance actions.
CM6	Verify that mechanisms are in place to prevent unauthorized changes being made to the system and to prevent authorized changes from being made to the wrong version.
CM7	Review the use of CM information (such as the number and type of corrective maintenance actions over time) in project management.

5.8.3.7.6. Quality Assurance

Task #	Task Description
QA1	Evaluate and make recommendations on the project's quality assurance plans, procedures, and organization.
QA2	Verify that the QA function has an appropriate level of independence from project management.
QA3	Verify that the QA function monitors the fidelity of all defined processes in all phases/waves of the project.
QA4	Verify that the quality of all products produced by the project is monitored by formal reviews and signoffs.
QA5	Verify that project self-evaluations are performed and that measures are continually taken to improve the process.
QA6	Monitor the performance of the QA function by reviewing its processes and reports and performing spot checks of system documentation; assess findings and performance of the processes and reports.

5.8.3.7.7. Organization Change Management

Task #	Task Description
OC1	Review and make recommendations on the change management project plan provided by vendors.
OC2	Evaluate and provide recommendations about the effectiveness of change management efforts.
OC3	Review and provide feedback on Change Management Strategy and management Plan, stakeholder analysis report, change management assessment, communication strategy / plan and other documents created by vendors.
OC4	Review and provide feedback on lessons learned report developed during each wave of the project.

5.8.3.7.8. Training

Task #	Task Description
TR1	Review and make recommendations on the training provided to system users. Verify sufficient knowledge transfer for maintenance and operation of the new system.
TR2	Verify that training for users is instructor-led and hands-on and is directly related to the business process and required job skills.
TR3	Verify that user-friendly training materials and help desk services are easily available to all users.
TR4	Verify that all necessary policy and process and documentation are easily available to users.
TR5	Verify that all training is given on-time and is evaluated and monitored for effectiveness, with additional training provided, as needed.

5.8.3.7.9. Requirements Management

Task #	Task Description
RQ1	Evaluate and make recommendations on the project's process and procedures for managing requirements.
RQ2	Verify that system requirements are well-defined, understood and documented.
RQ3	Evaluate the allocation of system requirements to hardware, security, and software requirements.
RQ4	Verify that software requirements can be traced through design, code, and test phases/waves to verify that the system performs as intended and contains no unnecessary software elements.
RQ5	Verify that requirements are under formal configuration control.

5.8.3.7.10. Security Requirements

Task #	Task Description
SR1	Evaluate and make recommendations on project policies and procedures for ensuring that the system is secure, and that the privacy of client data is maintained.
SR2	Evaluate the project's restrictions on system and data access.
SR3	Evaluate the project's security and risk analysis.
SR4	Verify that processes and equipment are in place to back up client and project data and files and archive them safely at appropriate intervals.

5.8.3.7.11. Requirements Analysis

Task #	Task Description
RA1	Verify that an analysis of State's needs and objectives has been performed to verify that requirements of the system are well understood, well defined, and satisfy federal and state-local regulations.
RA2	Verify that stakeholders have been consulted to the desired functionality of the system, and that users have been involved in prototyping of the system.
RA3	Verify that stakeholders have bought-in to all changes which impact project objectives, cost, or schedule.
RA4	Verify that performance requirements (e.g. timing, response time and throughput) satisfy user needs.

5.8.3.7.12. Interface Requirements

Task #	Task Description
IR1	Verify that system interfaces are exactly described, by function, including input/output data format and frequency.
IR2	Verify those approved interface documents are available and that appropriate relationships (such as interface working groups) are in place with all agencies and organizations supporting the interfaces.

5.8.3.7.13. Design Documentation

Task #	Task Description
DD1	Evaluate the design deliverables for adherence to the project design methodology and standards.
DD2	Evaluate the design and analysis process used to develop the design and make recommendations for improvements. Evaluate design standards, methodology and tools used and make recommendations.
DD3	Verify that requirements listed in the design documents can be traced back to system requirements.
DD4	Verify that all design products are under configuration control and formally approved.
DD5	Evaluate batch jobs for appropriate scheduling, timing, and internal and external dependencies.

5.8.3.7.14. Code Documentation

Task #	Task Description
CD1	Evaluate Code documentation quality, completeness and accessibility and make recommendation.
CD2	Evaluate the coding standards and guidelines and the projects compliance with these standards and guidelines and make recommendation.
CD3	Verify that developed code is kept under appropriate configuration control and is easily accessible by developers.
CD4	Evaluate the project's use of software metrics in management and quality assurance.

5.8.3.7.15. Unit Testing

Task #	Task Description
UT1	Evaluate the plans, requirements, environment, tools, and procedures used for unit testing system modules.
UT2	Evaluate the level of test automation and provide recommendations.

UT3	Verify that the test process achieves an appropriate level of test coverage, that test results are verified, that the correct code configuration has been tested, and that the tests are appropriately documented.
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5.8.3.7.16. System Integration Testing

Task #	Task Description
SI1	Evaluate the plans, requirements, environment, tools, and procedures used for integration testing of system modules.
SI2	Evaluate the level of automation and the availability of the system test environment.
SI3	Verify that the test process achieves an appropriate level of test coverage, that test results are verified, that the correct code configuration has been tested, and that the tests are appropriately documented, including formal logging of errors found in testing.
SI4	Verify that the test organization has an appropriate level of independence from the development organization.
SI5	Evaluate project plans for each implementation to ensure that deliverables and critical paths are aligned to meet each project major deadlines and milestones.

5.8.3.7.17. Interface Testing

Task #	Task Description
IT1	Evaluate interface testing plans and procedures for compliance with industry standards.

5.8.3.7.18. Acceptance and Turnover

Task #	Task Description
AT1	Acceptance procedures and acceptance criteria for each product must be defined, reviewed, and approved prior to test and the results of the test must be documented. Acceptance procedures must also address the process by which any software product that does not pass acceptance testing will be corrected.

AT2	Verify that appropriate acceptance testing based on the defined acceptance criteria is performed satisfactorily before acceptance of software products.
AT3	Verify that the acceptance test organization has an appropriate level of independence from the vendor.
AT4	Verify that training in using the vendor-supplied software is on-going throughout the development process, especially if the software is to be turned over to the State's staff for operation.
AT5	Review and evaluate testing implementation plan.
AT6	Review the Go/No-Go criteria prepared by the vendor and suggest changes, if necessary, in addition to review of the formal turnover plan.

5.8.3.7.19. Data Conversion

Task	Task Description
DC1	Evaluate the proposed plans, procedures, and software for data conversion.
DC2	Verify that procedures are in place and are being followed to review the completed data for completeness and accuracy and to perform data cleanup as required.
DC3	Determine conversion error rates and if the error rates are manageable.
DC4	Provide recommendations on making the conversion process more efficient and on maintaining the integrity of data during the conversion.

5.9. The Contractor shall execute the following Milestones as adjusted during project planning.

5.9.1. Milestone 1: Confirm the IV&V Management Plan

5.9.1.1. The Contractor shall work with project management to confirm and document the detailed description of how the IV&V team will perform the IV&V services. This will include strategies, standards, and approaches to be used for executing each of the IV&V activities.

5.9.1.2. The IV&V Management Plan will also contain an organizational structure which demonstrates, among other things, coordination activities among the IV&V team, the Project Director and project team, project sponsors, stakeholders, and any oversight entities involved in the project.

5.9.1.3. The IV&V Management Plan will describe the individualized approach for completing deliverables and resource assignments to tasks and deliverables. Finally, the IV&V Management

Plan will include a description of assessment criteria for use in future assessment reports and the process for modifying assessment criteria.

5.9.2. Milestone 2: Implementation Planning

5.9.2.1. The Contractor shall assist in the review of vendor planning documents and finalize assessment templates for IV&V evaluations. Typical areas of IV&V focus leading up to this milestone include, but are not limited to:

- 5.9.2.1.1. Deliverable Review Verification Strategies
- 5.9.2.1.2. Deliverable Expectation Documents (DED) and Acceptance Criteria
- 5.9.2.1.3. Project Plan / Timeline and Resource Plan
- 5.9.2.1.4. Project Strategy/ Governance
- 5.9.2.1.5. Organizational Readiness / Change Management
- 5.9.2.1.6. Project Success Metrics
- 5.9.2.1.7. Scope Definition
- 5.9.2.1.8. Issue Management and Resolution
- 5.9.2.1.9. Risk Management
- 5.9.2.1.10. Change Control
- 5.9.2.1.11. Deliverable Review and Acceptance
- 5.9.2.1.12. Status Reporting
- 5.9.2.1.13. Roles and Responsibilities
- 5.9.2.1.14. Meeting Effectiveness

5.9.3. Milestone 3: Functional/Technical Design

5.9.3.1. The Contractor shall assess the activities and work products of the design teams. The critical task is to validate that the business processes to be implemented within Infor satisfy the requirements and design specifications. The Contractor shall work closely with project resources, subject matter experts and vendor consultants on the following project activities:

- 5.9.3.1.1. Business Process Design
- 5.9.3.1.2. Automated Internal Controls
- 5.9.3.1.3. System Integration
- 5.9.3.1.4. Infrastructure and Security
- 5.9.3.1.5. Data Conversion
- 5.9.3.1.6. Reporting Strategy
- 5.9.3.1.7. Knowledge Transfer
- 5.9.3.1.8. Change Management

5.9.4. Milestone 4: ERP Configuration & Development

5.9.4.1. The Contractor shall assess the results of configuration and development efforts by focusing on:

- 5.9.4.1.1. Validation that the configuration is documented consistently across the project, matches the system design, and that the configured business processes provide the business results expected.
- 5.9.4.1.2. That software development that may be required matches designs and produces results as expected.
- 5.9.4.1.3. Unit Testing – assessment of testing plans and test scripts that individually test each set of functionalities being configured. The Contractor shall validate that proper documentation exists for any issues uncovered during the testing process and that resolution plans are in place to fix any configuration defects:

5.9.5. Milestone 5: Completion of Configuration & Development

5.9.5.1. After designs have been validated and system configuration and development are advanced to the point of being ready for broader process testing including integration / interfaces and reports, Contractor IV&V activities will focus on:

- 5.9.5.1.1. Participating in functional review sessions to validate that the system modules cover all the functionality within the project scope.
- 5.9.5.1.2. Confirming that functionality gaps are identified, documented, and that resolution plans are created. Monitoring these resolution plans until they have satisfactorily resolved the gaps identified.
- 5.9.5.1.3. Evaluating the data conversion processes and strategies to verify that legacy data is moved into the new application as planned. Furthermore, The Contractor shall confirm that proper data verification strategies are in place to assess data accuracy.
- 5.9.5.1.4. Reviewing the interface development approach to confirm that the appropriate information (e.g., data structures, file formats, interface protocols, etc.) are captured within the integration / interface documentation.
- 5.9.5.1.5. Evaluating report development progress based on report inventory and verify that the reports created meet the requirements of the State.
- 5.9.5.1.6. Assessing the development of the security plan for the application.
- 5.9.5.1.7. Monitoring progress of both the knowledge transfer and organizational change management plans.
- 5.9.5.1.8. Assessing the end-user training plan to verify that the strategy considers curriculum development, facility logistics, staffing resources, participant scheduling, and a process by which training is evaluated for effectiveness.

5.9.6. Milestone 6: System Testing & Training Program

5.9.6.1. The Contractor shall assess and advise on:

- 5.9.6.1.1. Test Plans / Test Scripts – the development of testing plans and test scripts for integration testing, payroll parallel testing, and user acceptance testing. The Contractor shall confirm that proper documentation exists for any issues uncovered during the testing processes and that resolution plans are in place to fix encountered defects. Furthermore, the Contractor shall validate that test scripts include appropriate testing for internal controls and appropriate segregation of duties within business processes.

5.9.6.1.2. End-user Training – the Contractor shall monitor the development of end-user training curriculum based on end-user training strategy. The Contractor shall evaluate the quality of the training materials being developed to confirm course materials are thorough and that the time frames for each course are appropriate.

5.9.7. Milestone 7: Deployment

5.9.7.1. The Contractor services shall include but not be limited to the following:

5.9.7.1.1. System Cutover – assessing the cutover plan to validate that all steps and processes are included for a smooth transition to the new application.

5.9.7.1.2. Knowledge Transfer – assessing the level of preparedness of the Project and operational supporting staff to operate/sustain the new ERP application.

5.9.7.1.3. Post Go-live Support – assessing the strategy and plans for providing application support for end users.

5.10. Data Location

5.10.1. The Contractor shall provide its Services to the State and its end users solely from data centers within the Continental United States. All storage of data shall be restricted to information technology systems within the Continental United States. The Contractor shall not allow its personnel or sub-contractors to store data on personal portable devices, including personal computers, except as specified and allowed by the contract, and then only on devices that are used and kept at its data centers within the Continental United States. The Contractor shall permit its personnel and Contractors to access data remotely only to provide technical support and as specified or required by the Agreement. The State acknowledges that the Contractor shall from time to time provide confidential translation services from outside of the Continental United States. Under no circumstances shall the provision of such translation services include access to systems containing plan data that is required to be housed and remain within the Continental United States.

5.11. In performing its obligations under this Agreement, each party may gain access to Confidential Information of the other party. Confidential Information includes all information owned or managed by either party - created, received from or on behalf of either party or accessed while performing contracted Services including any information provided by either party - or which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. Each party shall not use the Confidential Information developed or obtained during the performance of, or acquired, or developed by reason of the Agreement, except as directly connected to and necessary for the performance of the Agreement. Each party shall maintain the confidentiality of and protect from unauthorized use, disclosure, publication, and reproduction (collectively "release"), all Confidential Information.

5.12. In the event of the unauthorized release of Confidential Information, each party shall make all commercially reasonable efforts to promptly notify the other party.

5.13. Subject to applicable federal or State laws and regulations, Confidential Information shall not include information which:

5.13.1. Shall have otherwise become publicly available other than because of disclosure by the receiving party in breach hereof.

5.13.2. Was disclosed to the receiving party on a non-confidential basis from a source other than the disclosing party, which the receiving party believes is not prohibited from disclosing such information as a result of an obligation in favor of the disclosing party.

- 5.13.3. Is developed by the receiving party independently of, or was known by the receiving party prior to, any disclosure of such information made by the disclosing party; or
- 5.13.4. Is disclosed with the written consent of the disclosing party.
- 5.13.5. A receiving party also may disclose the disclosing party's Confidential Information to the extent required by an order of a court of competent jurisdiction. Any disclosure of the Confidential Information shall require the prior written approval of the State. Contractor shall immediately notify the State if any request, subpoena or other legal process is served upon Contractor regarding the Confidential Information, and Contractor shall cooperate with the State in any effort the State undertakes to contest the request, subpoena or other legal process, at no additional cost to the State.
- 5.14. Contractor Confidential Information
- 5.14.1. The Contractor acknowledges that the State is subject to State and federal laws governing disclosure of information including, but not limited to, RSA Chapter 91-A. In the event the State receives a request for the information identified by Contractor as confidential, the State shall notify Contractor and specify the date the State will be releasing the requested information. At the request of the State, Contractor shall cooperate and assist the State with the collection and review of Contractor's information, at no additional expense to the State. Any effort to prohibit or enjoin the release of the information shall be Contractor's sole responsibility and at Contractor's sole expense. If Contractor fails to obtain a court order enjoining the disclosure, the State shall release the information on the date specified in the State's notice to Contractor, without any liability to the State.
- 5.15. In the event of a security incident or data breach, Contractor shall follow the notification and mitigation procedures outlined in the attached Business Associate Agreement.
- 5.16. The above covenants regarding data and confidential information shall survive the termination of this Agreement.
- 5.17. Access to State Systems
- 5.17.1. In consideration for receiving access to and use of the computer facilities, network, licensed or developed software, software maintained or operated by any of the State entities, systems, equipment, documentation, information, reports, or data of any kind (hereinafter "Information"), Contractor understands and agrees to the following rules:
- 5.17.1.1. Computer Use
- 5.17.1.1.1. Every authorized user has the responsibility to assure the protection of information from unauthorized access, misuse, theft, damage, destruction, modification, or disclosure.
- 5.17.1.1.2. That information shall be used solely for conducting official State business, and all other use or access is strictly forbidden including, but not limited to, personal, or other private and non-State use and that at no time shall Contractor access or attempt to access any information without having the express authority to do so.
- 5.17.1.1.3. That at no time shall Contractor access or attempt to access any information in a manner inconsistent with the approved policies, procedures, and /or agreements relating to system entry/access.
- 5.17.1.1.4. That all software licensed, developed, or being evaluated by the State cannot be copied, shared, distributed, sub-licensed, modified, reverse engineered, rented, or sold, and that always Contractor must use utmost care to protect and keep such software strictly confidential in accordance with the license or any other agreement executed by the State. Only equipment

or software owned, licensed, or being evaluated by the State, can be used by Contractor personal software (including but not limited to palmtop sync software) shall not be installed on any equipment.

5.17.1.1.5. That if Contractor is found to be in violation of any of the above-stated rules, the Contractor may face default and termination under the Agreement and the individual may face removal from the State contract, and/or criminal or civil prosecution, if the act constitutes a violation of law.

5.17.1.1.6. That computer use shall follow the State standard policy (Statewide Computer Use Policy is available upon request)

5.17.2. Email Use

5.17.2.1. Email and other electronic communication messaging systems are State of New Hampshire property and are to be used for business purposes only. Email is defined as "internal email systems" or "State-funded email systems." Contractor understands and agrees that use of email shall follow State standard policy (Statewide Computer Use Policy is available upon request).

5.17.3. Internet/Intranet Use

5.17.3.1. The Internet/Intranet is to be used for access to and distribution of information in direct support of the business of the State of New Hampshire according to State standard policy (Statewide Computer Use Policy is available upon request).

5.17.4. Workspace Requirement

5.17.4.1. The State will work with Contractor to determine requirements for providing necessary workspace and office equipment for Contractor's staff.

5.17.5. Workplace Hours

5.17.5.1. Unless otherwise agreed to by the State, the Contractor's personnel dedicated to this project full time, shall work forty (40) hour weeks, including the hours of 8 am and 5 pm (Eastern Time), excluding State of New Hampshire holidays. Changes to this Schedule may be made upon agreement with the State particularly with respect to any overseas support that may be provided by the contractor.

5.18. The Contractor shall not commence work until a conference is held with the Department of Administrative Services, at which representatives of the Contractor and the State are present. The conference will be arranged by the State. The basis of the meeting shall be the review and acceptance of a holistic detailed master project plan for all phases of the project to be furnished by the contractor within 30 days after receipt of executed contract. This plan shall contain deliverables consistent with minimum expectations of the contract, however may be subject to change throughout the contract term as deemed acceptable by the State.

5.19. The State shall require correction of any defective work and the repair of any damages to any part of a building or its appurtenances caused by the Contractor or its employees, subcontractors, equipment or supplies. The Contractor shall correct, repair, or replace all defective work, as needed, to complete said work in satisfactory condition, and damages so caused in order to restore the building and its appurtenances to their previous condition. Upon failure of the Contractor to proceed promptly with the necessary corrections or repairs, the State may withhold any amount necessary to correct all defective work or repair all damages from payments to the Contractor.

- 5.20. The work staff shall consist of qualified persons completely familiar with the products and equipment that they will use. The Contracting Officer may require the Contractor to dismiss from the work such employees as the Contracting Officer deems incompetent, careless, insubordinate, or otherwise objectionable, or whose continued employment on the work is deemed to be contrary to the public interest or inconsistent with the best interest of security and the State.
- 5.21. Neither the Contractor nor its employees or subcontractors shall represent themselves as employees or agents of the State.
- 5.22. All personnel shall observe all regulations or special restrictions in effect at any State agency location at which services are to be provided.
- 5.23. The Contractor's personnel shall be allowed only in areas where services are to be provided. The use of State telephones by the Contractor, its employees, or its sub-contractors is prohibited.
- 5.24. If sub-contractors are to be utilized, Contractor shall provide information regarding the proposed sub-contractors including the name of the company, their address, contact person and three references for clients they are currently servicing. Approval by the State must be received prior to a sub-contractor starting any work pursuant to Section 12 of Form P-37.
- 5.25. The Business Associate Agreement (attached hereto as Appendix 1, is required to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 and those parts of the HITECH Act applicable to business associates.

6. REPORTING

- 6.1. The Contractor shall provide bi-weekly and monthly reporting to the assigned project team and executive steering committee. Reports are due no later than close of business on the due date as defined in the project schedule. The Contractor shall assess the deliverables presented by Infor and report including comparison to the approved project plan. The State requires that the Contractor review Infor's metrics for validity and report to the State with recommendations for developing state project metrics.

7. OBLIGATIONS AND LIABILITY OF THE CONTRACTOR

- 7.1. The Contractor shall provide all services strictly pursuant to, and in conformity with this Agreement, and the specifications described in State RFP #2703-23 and Contractor's response thereto.
- 7.2. It is the responsibility of the Contractor to maintain New Hampshire Vendor Registration with up to date contact information.
- 7.3. Contract specific contact information (sales contact, Contractor contract manager, etc.) shall be sent to the State's Contracting Office listed in Box 1.9 of Form P-37.
- 7.4. Additionally, all updates i.e., telephone numbers, contact names, email addresses, W9, tax identification numbers are required to be current through a formal electronic submission to the Bureau of Purchase and Property at:
[https://das.nh.gov/purchasing/vendorregistration/\(S\(q0fzcv55qhaeqs45jpyq5i45\)\)/welcome.aspx](https://das.nh.gov/purchasing/vendorregistration/(S(q0fzcv55qhaeqs45jpyq5i45))/welcome.aspx)
- 7.5. The Contractor shall agree that any damage to building(s), materials, equipment or other property during the performance of the service shall be repaired at its own expense, to the State's satisfaction.

8. DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION OF LOWER TIER COVERED TRANSACTIONS

8.1. The Contractor certifies, by signature of this Agreement, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

9. CONFIDENTIALITY & CRIMINAL RECORD

9.1. If requested by the using agency, the Contractor and its employees, and Sub-Contractors (if any), shall be required to sign and submit a Confidential Nature of Department Records Form and a Criminal Authorization Records Form. These forms shall be submitted to the Department of Administrative Services prior to the start of any work.

Contractor Initials nlb
Date 09/28/23

EXHIBIT C METHOD OF PAYMENT

10. CONTRACT PRICE

10.1. The Contractor hereby agrees to provide Independent Verification & Validation Services of Enterprise Resource Planning Implementation services in strict accordance with the terms and conditions specified in Exhibit B for an amount up to and not to exceed a price of \$1,557,000.00; this figure shall not be considered a guaranteed or minimum figure; however, it shall be considered a maximum figure from the effective date through the expiration date as indicated in Form P-37 Block 1.7.

11. PRICING STRUCTURE

11.1. Fixed Service Fees—Milestone Payment Schedule

- 11.1.1. The Contractor shall provide the requested IV&V services under a fixed-fee, deliverables-based payment arrangement. The Contractor will bill the State each month for deliverables completed in the prior month.
- 11.1.2. The monthly unit costs of deliverables are based upon the project's initial planned Infor implementation period of 18 months and will be billed monthly unless there is a pause in Contractor services as discussed herein.
- 11.1.3. Based on the 18-month schedule, the Contractor shall provide two bi-weekly health assessments each month at a cost of \$50,000 and a monthly executive health assessment at a cost of \$36,500 for a total monthly cost of \$86,500. Month 1 of the project shall include completion of the IV&V Management Plan, one bi-weekly health assessment, and the first executive health assessment report for a total cost of \$86,500.
- 11.1.4. Should the project experience delays that are expected to require IV&V services beyond the initial 18-month period, the State and Contractor will agree upon a schedule for deferral of the Contractor services and deliverables for an agreed upon period, which can be applied to the later months of the project. Monthly payments associated with any agreed upon deferral shall be assessed upon the resumption and completion of deliverables.
- 11.1.5. Payments shall not be made until review and acceptance by the State of the required backup materials as described under section 14 invoice.

From contract approval through completion					
Title	Description of work to be performed	Quantity Proposed	Unit of Measure	Unit Cost	Projected Total
Executive Health Assessment Report	Executive-level monthly report focused on key questions regarding quality. This report will provide highlights regarding project budget, project schedule and	18	Each/Monthly	\$36,500.00	\$657,000.00

	important findings from our assessment activities. We will also provide updates on individual subjects/deliverables validated and verified and details on any suboptimal findings for the reporting period.				
Bi-weekly Health Assessment Report	Project-level bi-weekly reports providing a more current and detailed summary of the recurring IV&V activities, observations from weekly meeting and activity participation, interim updates to the RAID log, or other matters worthy of note prior to release of the monthly executive report.	35	Each/Bi-weekly	\$25,000.00	\$875,000.00
IV&V Management Plan	Document and confirm with State project management the detailed description of how the IV&V team will perform the IV&V services. This will include strategies, standards, and approaches to be used for executing each of the IV&V activities.	1	Each	\$25,000.00	\$25,000.00

11.2. Contract Retainage

11.2.1. The State shall retain 5% of total fixed fee services from each milestone payment, to be released upon the completed and accepted final reporting period as defined herein.

12. PERFORMANCE GUARANTEES

12.1. The table below identifies a set of performance guarantees that shall be the basis of performance responsibilities for this Agreement. Performance guarantee metrics are to be self-reported and penalties

Contractor Initials nlb
Date 09/28/23

shall be assessed at the State's discretion. All guarantees shall be measured monthly and quarterly on a calendar year basis. Any penalties due to the State shall be remitted on a separate check, and not as an invoice credit, no later than sixty (60) days after final notice from the State.

12.1.1.

Category	Measurement	Maximum Fees At Risk
Develop an IV&V management plan using Infor Deliverables	Completion of cohesive plan to be delivered in alignment with Infor detailed project management plan.	5% of total fixed fee pricing
Recommendations	Review and make recommendations on both the management of the Infor Project, both State and vendor, and the technical aspects of the Infor Project.	5% of total fixed fee pricing
Usability	Consult with - stakeholders and assess the user involvement and buy-in regarding system functionality and the system's ability to meet program needs.	5% of total fixed fee pricing
Budget	Conduct an analysis of past Infor Project performance (schedule, budget) sufficient to identify and make recommendations for improvement.	5% of total fixed fee pricing
Performance Metrics	Develop performance metrics which allow tracking of Infor Project completion against milestones set by the State	5% of total fixed fee pricing
Systems	Review system hardware and software configuration and report on any	5% of total fixed fee pricing

Contractor Initials mlf
 Date 09/28/23

Category	Measurement	Maximum Fees At Risk
	compatibility and obsolescence issues.	
Operations Staffing	Assess and recommend improvement, as needed, to assure appropriate staffing by INFOR of the ERP application, including personnel to the Infor Project and ongoing operations and maintenance of the application.	5% of total fixed fee pricing
Configuration	Assess Infor Project's Configuration Management (CM) function/organization and recommend best practice service model for State staff to support the INFOR CloudSuite product, by reviewing Division of Enterprise Applications Management (DEAM) operations and making recommendations regarding appropriate processes and tools to manage system changes.	5% of total fixed fee pricing

13. TRAVEL EXPENSES

13.1. All Travel expenses including air and ground transportation, parking, meals and lodging etc. are included in the fixed rates as shown under Exhibit C section 11 Pricing Structure.

14. INVOICE

14.1. Monthly itemized invoices shall be submitted to the agency point of contact Vito Mancini or designee after the completion of the services. Each invoice shall include a brief description of the work done and, at a minimum, shall include detailed backup such as dates, description of the services performed, the service category, amount of time spent, and the position title and name of the employee who performed the work. Invoices must include all substantiating documentation supporting the invoice amount.

14.1.1. Monthly payments associated with any agreed upon deferral shall be assessed upon the resumption and completion of deliverables. Invoicing shall be deferred consistent with the agreed upon schedule.

14.2. The invoice shall be sent to the following address:

14.2.1. Email: Vito.Mancini@das.nh.gov

14.2.2. With Copy to: Catherine.A.Keane@das.nh.gov

15. PAYMENT

15.1. Payments may be made via ACH. Use the following link to enroll with the State Treasury for ACH payments: <https://www.nh.gov/treasury>

15.2. Payments shall be paid in full within thirty (30) days after receipt of invoice, and required backup described above, and acceptance to the State's satisfaction.

15.3. Contractor shall be paid by ACH when invoice is approved by the State.

EXHIBIT D

RFP #2703-23 is incorporated by reference here within.

Contractor Initials rlf
Date 09/28/23

EXHIBIT E

Contractor's proposal is incorporated by reference here within

Contractor Initials rlf
Date 09/28/23

Appendix #1 Business Associate Agreement

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 and those parts of the HITECH Act applicable to business associates. As defined herein, "Business Associate" shall generally have the same meaning as the term "business associate" at 45 CFR 160.103, and in reference to the party to this Agreement, shall mean Contractor. "Covered Entity" shall generally have the same meaning as the term "covered entity" at 45 CFR 160.103, and in reference to the party to this Agreement shall mean the State of New Hampshire Department of Administrative Services "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

Business Associate Agreement

1. Definitions

- a. The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required By Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.
- b. All terms not otherwise defined herein shall have the same meaning as those set forth in the HIPAA Rules.

2. Use and Disclosure of Protected Health Information (PHI)

- a. Business Associate shall not use, disclose, maintain or transmit PHI except as reasonably necessary to provide the services set forth in this Agreement or as required by law.
- b. Business Associate agrees to make uses and disclosures and requests for PHI consistent with Covered Entity's minimum necessary policies and procedures.
- c. Business Associate may not use or disclose protected health information in a manner that would violate Subpart E of 45 CFR Part 164 if done by Covered Entity, except for the specific uses and disclosures set forth below.
- d. Business Associate may use protected health information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of Business Associate. To the extent Business Associate discloses PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (a) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (b) an agreement from such third party to notify Business Associate of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- e. Business Associate may provide data aggregation services relating to the health care operations of Covered Entity.
- f. Business Associate is authorized to use PHI to de-identify the information in accordance with 45 CFR 164.514(a)-(c). Business Associate shall de-identify the PHI in a manner agreed upon by Business Associate and Covered Entity. Uses and disclosures of the de-identified information shall be limited to those consistent with the provisions of this Agreement.

- g. Business Associate shall not, unless such disclosure is reasonably necessary to provide services outlined in the Agreement, disclose any PHI in response to a request for disclosure on the basis it is required by law without first notifying Covered Entity. In the event Covered Entity objects to the disclosure it shall seek the appropriate relief and the Business Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.
- h. Covered Entity may from time to time agree, pursuant to 45 CFR 164.522, to be bound by additional restrictions over and above those uses, disclosures and security safeguards of PHI outlined in the HIPAA Rules. Covered Entity shall notify Business Associate, in writing, of any such agreements. Business Associate agrees to be bound by any such additional restrictions.

3. Obligations and Activities of Business Associate

- a. Business Associate shall use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of protected health information other than as provided for by the Agreement.
- b. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any security incident involving PHI, ePHI, or Unsecured PHI as required by 45 CFR 164.410.
- c. Business Associate shall report a breach or a potential breach to Covered Entity upon discovery of any such incident. Business Associate will handle breach notifications to individuals, the United States Department of Health and Human Services Office for Civil Rights, and, where applicable, the media. Should it be necessary to notify the media of any such breach, Business Associate will ensure that Covered Entity will receive notice of the breach prior to such incident being reported to the media.
- d. Business Associate shall, in accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure, as evidenced in writing, that any subcontractors that create, receive, maintain or transmit PHI on behalf of Business Associate agree to the same restrictions, conditions and requirements that apply to Business Associate with respect to such information, including the duty to return or destroy PHI. Covered Entity shall be considered a direct third party beneficiary of Business Associate's corresponding business associate agreements with any of its contracted business associates, who will be receiving PHI pursuant to this Agreement, with rights of enforcement and indemnification from such business associates.
- e. To the extent Business Associate is to carry out one or more of Covered Entity's obligations under Subpart E of 45 CFR Part 164, Business Associate shall comply with the requirements of Subpart E that apply to Covered Entity in the performance of such obligation(s).
- f. Business Associate shall make available all of its internal practices, policies and procedures, books and records to the Secretary for the purpose of determining Covered Entity's compliance with the HIPAA Rules.
- g. Within five (5) business days of receiving a written request from Covered Entity, Business Associate shall make available to the Covered Entity during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI for the purpose of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.

Individual Rights and PHI

- h. Access
 - i. Business Associate shall respond to an individual's request for access to his or her PHI as part of Business Associate's normal customer service function, if the request is communicated to Business Associate directly by the individual or the individual's personal representative. Business Associate shall respond to the request with regard to

PHI that Business Associate and/or its subcontractors maintain in a manner and time frame consistent with requirements specified in the HIPAA Privacy Regulation.

- ii. In addition, Business Associate shall assist Covered Entity in responding to requests made to Covered Entity by individuals to invoke a right of access under the HIPAA Privacy Regulation by performing the following functions:
 - 1. Upon receipt of written notice (including fax and email) from Covered Entity, Business Associate shall make available to Covered Entity, or at Covered Entity's direction to the individual (or the individual's personal representative), any PHI about the individual created or received for or from Covered Entity in Business Associate's custody or control (and/or the custody or control of its subcontractors), for inspection and obtaining copies so that Covered Entity may meet its access obligations under 45 CFR 164.524, and, where applicable, the HITECH Act. Business Associate shall make such information available in an electronic format where required by the HITECH Act.

i. Amendment

- i. Business Associate shall respond to an individual's request to amend his or her PHI as part of Business Associate's normal customer service functions, if the request is communicated to Business Associate directly by the individual or the individual's personal representative. Business Associate shall respond to the request with respect to the PHI Business Associate and its subcontractors maintain in a manner and time frame consistent with requirements specified in the HIPAA Privacy Regulation.
- ii. In addition, Business Associate shall assist Covered Entity in responding to requests made to Covered Entity to invoke a right to amend under the HIPAA Privacy Regulation by performing the following functions:
 - 1. Upon receipt of written notice (including fax and email) from Covered Entity, Business Associate shall amend any portion of the PHI created or received for or from Covered Entity in Business Associate's custody or control (and/or the custody or control of its subcontractors), so that Covered Entity may meet its amendment obligations under 45 CFR 164.526.

j. Disclosure Accounting

- i. Business Associate shall respond to an individual's request for an accounting of disclosures of his or her PHI as part of Business Associate's normal customer service function, if the request is communicated to the Business Associate directly by the individual or the individual's personal representative. Business Associate shall respond to a request with respect to the PHI Business Associate and its subcontractors maintain in a manner and time frame consistent with requirements specified in the HIPAA Privacy Regulation.
- ii. In addition, Business Associate shall assist Covered Entity in responding to requests made to Covered Entity by individuals or their personal representatives to invoke a right to an accounting of disclosures under the HIPAA Privacy Regulation by performing the following functions so that Covered Entity may meet its disclosure accounting obligation under 45 CFR 164.528:

iii. Disclosure Tracking

1. Business Associate shall record each disclosure that Business Associate makes of individuals' PHI, which is not excepted from disclosure accounting under Section II.C.2.b.
2. The information about each disclosure that Business Associate must record ("Disclosure Information") is (a) the disclosure date, (b) the name and (if known) address of the person or entity to whom Business Associate made the disclosure, (c) a brief description of the PHI disclosed, and (d) a brief statement of the purpose of the disclosure or a copy of any written request for disclosure under 45 Code of Federal Regulations §164.502(a)(2)(ii) or §164.512. Disclosure Information also includes any information required to be provided by the HITECH Act.
3. For repetitive disclosures of individuals' PHI that Business Associate makes for a single purpose to the same person or entity (including to Covered Entity or Employer), Business Associate may record (a) the Disclosure Information for the first of these repetitive disclosures, (b) the frequency, periodicity or number of these repetitive disclosures, and (c) the date of the last of these repetitive disclosures.

iv. Exceptions from Disclosure Tracking

1. Business Associate shall not be required to record Disclosure Information or otherwise account for disclosures of individuals' PHI (a) for Treatment, Payment or Health Care Operations, (except where required by the HITECH Act, as of the effective dates of such requirements) (b) to the individual who is the subject of the PHI, to that individual's personal representative, or to another person or entity authorized by the individual (c) to persons involved in that individual's health care or payment for health care as provided by 45 Code of Federal Regulations § 164.510, (d) for notification for disaster relief purposes as provided by 45 Code of Federal Regulations § 164.510, (e) for national security or intelligence purposes, (f) to law enforcement officials or correctional institutions regarding inmates, (g) that are incident to a use or disclosure that is permitted by this Agreement or the ASO Agreement, (h) as part of a limited data set in accordance with 45 CFR 164.514(e), or (i) that occurred prior to Covered Entity's compliance date.

v. Disclosure Tracking Time Periods

1. Unless otherwise provided by the HITECH Act and/or any accompanying regulations, Business Associate shall have available for Covered Entity the Disclosure Information required by Section 3.j.iii.2 above for the six (6) years immediately preceding the date of Covered Entity's request for the Disclosure Information.

k. Provision of Disclosure Accounting

1. Upon receipt of written notice (including fax and email) from Covered Entity, Business Associate will make available to Covered Entity, or at Covered Entity's direction to the individual (or the individual's personal representative), the Disclosure Information regarding the Individual, so Covered Entity may meet its disclosure accounting obligations under 45 CFR 164.528 and the HITECH Act.

l. Confidential Communications

- i. Business Associate shall respond to an individual's request for a confidential communication as part of Business Associate's normal customer service function, if the request is communicated to Business Associate directly by the individual or the individual's personal representative. Business Associate shall respond to the request with respect to the PHI Business Associate and its subcontractors maintain in a manner and time frame consistent with requirements specified in the HIPAA Privacy Regulation. If an individual's request, made to Business Associate, extends beyond information held by Business Associate or Business Associate's subcontractors, Business Associate shall refer individual to Covered Entity. Business Associate assumes no obligation to coordinate any request for a confidential communication of PHI maintained by other business associates of Covered Entity.
- ii. In addition, Business Associate shall assist Covered Entity in responding to requests to it by individuals (or their personal representatives) to invoke a right of confidential communication under the HIPAA Privacy Regulation by performing the following functions:
 1. Upon receipt of written notice (including fax and email) from Covered Entity, Business Associate will begin to send all communications of PHI directed to the individual to the identified alternate address so that Covered Entity may meet its access obligations under 45 CFR 164.524.

m. Restrictions

- i. Business Associate shall respond to an individual's request for a restriction as part of Business Associate's normal customer service function, if the request is communicated to Business Associate directly by the individual (or the individual's personal representative). Business Associate shall respond to the request with respect to the PHI Business Associate and its subcontractors maintain in a manner and time frame consistent with requirements specified in the HIPAA Privacy Regulation.
- ii. In addition, Business Associate shall promptly, upon receipt of notice from Covered Entity, restrict the use or disclosure of individuals' PHI, provided the Business Associate has agreed to such a restriction. Covered Entity agrees that it will not commit Business Associate to any restriction on the use or disclosure of individuals' PHI for treatment, payment or health care operations without Business Associate's prior written approval.

4. Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR § 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals to use or disclose his or her PHI to the extent that such changes may affect Business Associate's use or disclosure of PHI.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

5. Term and Termination

- a. The term of this Business Associate Agreement shall be consistent with the underlying Agreement.
- b. In addition to standard provision #10 of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- c. Upon termination of this Agreement for any reason, Business Associate, with respect to PHI received from Covered Entity, or created, maintained or received by Business Associate on behalf of Covered Entity, shall:
 - i. Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;
 - ii. Return to Covered Entity [or, if agreed to by Covered Entity, destroy] the remaining PHI that Business Associate still maintains in any form;
 - iii. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic PHI to prevent use or disclosure of the PHI, other than as provided for in this Section, for as long as Business Associate retains the PHI;
 - iv. Not use or disclose the PHI retained by Business Associate other than for the purposes for which such PHI was retained and subject to the same conditions set out in this Agreement which applied prior to termination; and
 - v. Return to Covered Entity [or, if agreed to by Covered Entity, destroy] the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.
- d. The obligations of Business Associate under this Section shall survive the termination of this Agreement.

6. Miscellaneous

- a. **Definitions and Regulatory References.** All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the HIPAA Rules as in effect or as amended.
- b. **Amendment.** Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for compliance with the requirements of the HIPAA Rules and any other applicable law.
- c. **Data Ownership.** The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. **Interpretation.** The parties agree that any ambiguity in the Agreement shall be interpreted to permit compliance with the HIPAA Rules.
- e. **Segregation.** If any term or condition of this Business Associate Agreement or the

application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Business Associate Agreement are declared severable.

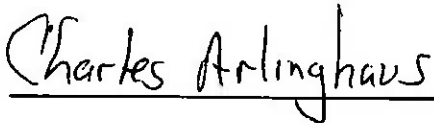
- f. Survival. Provisions in this Business Associate Agreement regarding the use and disclosure of PHI and the return or destruction of PHI shall survive the termination of the underlying Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Business Associate Agreement.


The State of New Hampshire



Signature of Authorized Representative



Name of Authorized Representative



Title of Authorized Representative



Date

International Consulting Acquisition Corp. d/b/a ISG Public Sector



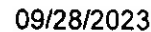
Signature of Authorized Representative



Name of Authorized Representative



Title of Authorized Representative



Date

State of New Hampshire

Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that INTERNATIONAL CONSULTING ACQUISITION CORP. is a Delaware Profit Corporation registered to do business in New Hampshire as ISG PUBLIC SECTOR on December 18, 2014. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned; and the attached is a true copy of the list of documents on file in this office.

Business ID: 718969

Certificate Number: 0006323711

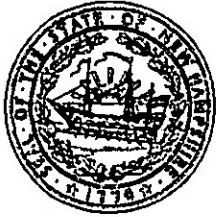


IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 20th day of September A.D. 2023.

A handwritten signature in black ink, appearing to read "David M. Scanlan".

David M. Scanlan
Secretary of State



State of New Hampshire

Department of State



Business Name : ISG Public Sector

Business ID : 718969

Filing History

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0006146622	03/13/2023	03/13/2023	Annual Report	2023
0005979632	01/06/2023	01/06/2023	Annual Report Reminder	N/A
0005733554	03/29/2022	03/29/2022	Annual Report	2022
0005550041	01/10/2022	01/10/2022	Annual Report Reminder	N/A
0005330949	03/31/2021	03/31/2021	Annual Report	2021
0005211236	01/18/2021	01/18/2021	Annual Report Reminder	N/A
0004835394	03/10/2020	03/10/2020	Annual Report	2020
0004720434	01/07/2020	01/07/2020	Annual Report Reminder	N/A
0004434319	03/08/2019	03/08/2019	Annual Report	2019
0004349757	01/02/2019	01/02/2019	Annual Report Reminder	N/A
0004061686	03/28/2018	03/28/2018	Annual Report	2018
0003747664	01/01/2018	01/01/2018	Annual Report Reminder	N/A
0003557474	03/27/2017	03/27/2017	Annual Report	2017
0003460033	12/27/2016	12/27/2016	Annual Report Reminder	N/A
0003258139	03/18/2016	03/18/2016	Annual Report	2016
0003209604	01/01/2016	01/01/2016	Agent Change/Resign	N/A
0003016425	12/18/2014	12/18/2014	Business Formation	N/A

Trade Name Information

Business Name	Business ID	Business Status
ISG Public Sector	718971	Active

Name History

Name	Name Type
No Name Changes found for this business.	



State of New Hampshire

Department of State



Principal Information

Name	Title
Humberto Alfonso	President
Richard Fogel	Secretary
Randy Scheller	Treasurer
Randy Scheller	Director
Humberto Alfonso	Director
Michael P. Connors	Director
Richard Fogel	Director
Humberto Alfonso	Chief Financial Officer

INTERNATIONAL CONSULTING ACQUISITION CORP.

Action Taken by Unanimous Written Consent

Of the Board of Directors


September 26, 2023

The undersigned Directors, constituting the entire Board of Directors of International Consulting Acquisition Corp., a Delaware corporation (the "Company"), acting without a meeting pursuant to its bylaws, does hereby consent to the adoption of and does hereby adopt the resolutions attached hereto as Exhibit A.


IN WITNESS WHEREOF, the undersigned has executed this consent as of the date written above.



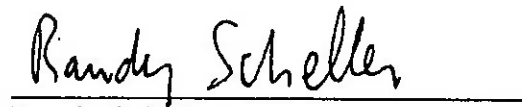
Michael P. Connors



Michael Sherrick



Richard L. Fogel



Randy Scheller

EXHIBIT A

RESOLUTION

WHEREAS, International Consulting Acquisition Corp. ("ICAC") doing business as ISG Public Sector desires to allow Nathan Frey to sign contractual documents with clients on behalf of ICAC.

NOW THEREFORE IT IS:

RESOLVED, that International Consulting Acquisition Corp. doing business as ISG Public Sector does hereby duly authorize Nathan Frey to sign contractual documents with clients on behalf of ICAC and this authority is granted from the date of this resolution through December 31, 2024.

[Remainder of the page intentionally left blank]



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
9/22/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Cadence Insurance 1333 West Loop South, Suite 1000 Houston TX 77027	CONTACT NAME: Heather Rochow PHONE (A/C No. Ext): 713-622-2330 FAX (A/C No.): 713-622-2053 E-MAIL ADDRESS: heather.rochow@cadenceinsurance.com		
	INSURER(S) AFFORDING COVERAGE		
INSURED International Consulting Acquisition Corp. dba ISG Public Sector 2187 Atlantic Street, 8th Floor Stamford CT 06902	INSURER A :	AIG Specialty Insurance Company	NAIC # 26883
	INSURER B :	Chubb National Insurance Company	10052
	INSURER C :	Great Northern Insurance Company	20303
	INSURER D :	Federal Insurance Company	20281
	INSURER E :		
	INSURER F :		

COVERAGES **CERTIFICATE NUMBER:** 1069724198 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR / LTR	TYPE OF INSURANCE	ADDL / SUBR / INSD / WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:		D98192180	7/14/2023	7/14/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
C	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY		73629015	7/14/2023	7/14/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
D	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 0		78196992	7/14/2023	7/14/2024	EACH OCCURRENCE \$ 20,000,000 AGGREGATE \$ 20,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	71835807	7/14/2023	7/14/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Technology Professional Liability		SEE BELOW	7/14/2023	7/14/2024	Each Occ/Aggregate See Below \$ 7,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Cyber/Tech E&O/Professional E&O / AIG Specialty Insurance Co / Policy No. 013354284 / 7/14/2023 to 7/14/2024
 Each Occurrence Limit \$3,000,000
 Aggregate Limit \$3,000,000

Cyber/Tech E&O/Professional E&O / STARR Surplus Lines Insurance Co / Policy No. 1000634671231 / 7/14/2023 to 7/14/2024
 Each Occurrence Limit \$2,000,000
 See Attached...

CERTIFICATE HOLDER **CANCELLATION**

State of New Hampshire, Administrative Services Bureau of Purchase and Property 25 Capitol Street, Room 102 Concord NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Edward G. Schneider</i>
---	---



ADDITIONAL REMARKS SCHEDULE

AGENCY Cadence Insurance		NAMED INSURED International Consulting Acquisition Corp. dba ISG Public Sector 2187 Atlantic Street, 8th Floor Stamford CT 06902	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Aggregate Limit \$2,000,000
 Policy sits excess over primary policy #013354284

Cyber/Tech E&O/Professional E&O / Crum & Forster / Policy No. EOL240849 / 7/14/2023 to 7/14/2024
 Each Occurrence Limit \$2,000,000
 Aggregate Limit \$2,000,000
 Policy sits excess over primary policy #013354284 & #1000634671231

General liability policy includes a blanket additional insured endorsement when required by written contract but only with respect to liability arising out of a named insured's work for additional insured including Products/Completed Operations coverage and in no way will the additional insured status exceed the limits, terms or conditions of the policy. Primary & Non-Contributory wording is included when required by written contract, but only with respect to coverage provided by this policy.

Auto liability policy includes a blanket additional insured endorsement when required by written contract but only with respect to the legal responsibility for acts or omissions of a person for whom liability coverage is afforded under this policy but in no event shall such coverage exceed the limits, terms or conditions of the policy.

General Liability, Auto Liability and Workers Compensation policies include a blanket waiver of subrogation when required by written contract but in no event shall such coverage exceed the limits, terms or conditions of the policy.

Excess/Umbrella Liability policy follows form of the Underlying policies, General Liability, Auto Liability and Workers Compensation, but not for broader coverage than would be afforded by such Scheduled Underlying Insurance.

30 Day Notice of Cancellation is provided when required by written contract except in the event of cancellation for Non-Payment of Premium.

All coverages shown are subject to the Terms, Conditions and Exclusions of the policies.



EVIDENCE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)

9/22/2023

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

AGENCY Cadence Insurance 1333 West Loop South, Suite 1000 Houston, TX 77027		PHONE (A/C No. Ext): 713-622-2330	COMPANY Chubb National Insurance Company 15 Mountain View Road Warren, NJ 07059	
FAX (A/C No): 713-622-2053	E-MAIL ADDRESS: heather.rochow@cadenceinsurance.com			
CODE:	SUB CODE:			
AGENCY CUSTOMER ID #: INFOSER-01		LOAN NUMBER		POLICY NUMBER D98192190
INSURED Information Services Group, Inc. International Consulting Acquisition Corp. dba ISG Public Sector 2187 Atlantic Street, 8th Floor Stamford CT 06902		EFFECTIVE DATE 07/14/2023	EXPIRATION DATE 07/14/2024	<input type="checkbox"/> CONTINUED UNTIL TERMINATED IF CHECKED
THIS REPLACES PRIOR EVIDENCE DATED:				

PROPERTY INFORMATION

LOCATION/DESCRIPTION

Location #1: 2187 Atlantic Street, Stamford, CT 06902

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION

PERILS INSURED

BASIC

BROAD

SPECIAL

COVERAGE / PERILS / FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
Location #1: Business Personal Property	600,000	5,000
Location #1: Tenants Improvements and Betterments	1,900,000	5,000
Blanket Business Income w/Extra Expense	100,000	24 Hours
Special Form (Including Theft)		
Valuation: Replacement Cost		

REMARKS (Including Special Conditions)

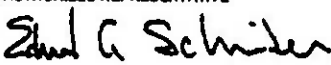
Named Insureds:

Information Services Group, Inc.
 International Advisory Holdings Corporation
 International Consulting Acquisition Corp. (ICAC)
 ISG Information Services Group Americas, Inc.
 Alsbridge Inc.
 Alsbridge Holdings Inc.

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

NAME AND ADDRESS State of New Hampshire, Administrative Services Bureau of Purchase and Property 25 Capitol Street, Room 102 Concord, NH 03301	<input type="checkbox"/> ADDITIONAL INSURED	<input type="checkbox"/> LENDER'S LOSS PAYABLE	<input type="checkbox"/> LOSS PAYEE
	<input type="checkbox"/> MORTGAGEE	LOAN #	
AUTHORIZED REPRESENTATIVE 			



PROPOSAL



Presented to:

New Hampshire Department of Administrative Services
Division of Procurement and Support Services

For:

Request for Proposal for Independent Verification & Validation Services
of Enterprise Resource Planning Implementation RFP # 2703-23

August 24, 2023



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15. Phase 1: Technical Proposal

15.1. Narrative and format

Vendors must submit a technical proposal that addresses each of the following elements and is limited to fifty (50) pages (this excludes any appendices / exhibits and as appropriate resumes of key staff that will provide services covered by this request). Technical portion of the response should NOT include any cost/pricing information.

15.2. Executive Summary

Executive Summary (1 Pages max): Executive summary should provide a concise summary of the Technical proposal.

The ISG Public Sector team is excited to present this proposal in response to the State of New Hampshire Department of Administrative Services (the "State") RFP # 2703-23. ISG is the undisputed leader in Independent Verification and Validation (IV&V) services for statewide enterprise resource planning (ERP) projects across the US. We bring our proven methodology, approach, and resources developed over 25 years of providing ERP acquisition, support, quality assurance, and IV&V services for 25 state governments.

As IV&V provider for the State of Idaho's implementation of Infor CloudSuite from September 2019 through go-live (July 1, 2023) and the current post-implementation support period, ISG is uniquely prepared to bring relevant insights regarding the capabilities of the Infor product, implementation challenges, knowledge of Infor/client dynamics, and engagement with the Infor product development and production support processes.

ISG believes that IV&V quality control services should be proactive, value-added activities that not only highlight concerns but also help decision makers by providing insights and advice needed to drive execution and achieve project goals. Our IV&V approach has evolved from our end-to-end ERP advisory services ranging from development of business cases, documentation of requirements and business processes, software and services acquisition through project execution and vendor management.

In this brief Executive Summary, we confirm our understanding of and commitment to deliver the Scope of Work and Requirements listed in Section 3 of the RFP. Our detailed technical proposal will highlight the four key differentiators of working with ISG that will meet or exceed your RFP requirements and yield actionable results from your investment in IV&V services:

1. A differentiated six-step IV&V approach that focuses on proactive, forward-looking activities to avoid risks and issues, rather than focusing on problems after they occur.
2. Recent experience with a statewide Infor CloudSuite IV&V engagement and access to other ISG project teams working cloud-based IV&V engagements for Workday in Rhode Island and Oracle Cloud in Missouri.
3. A team of highly qualified cross-functional resources that bring ERP project management, functional/technical domain knowledge, and deep expertise as public sector employees and consultants from multiple state government clients.
4. Our independence in relation to all software providers and implementation services vendors allows us to perform the requested services with the utmost objectivity.

ISG has worked with seventeen (17) states in quality assurance and IV&V roles. We are ready and able to meet all requirements of this RFP and support the State in its eighteen-month journey to complete the ERP modernization project.



15.3. Staff Qualifications (5 Pages max):

Provide staff resumes/CV by updating Exhibit 2 and describe qualifications and experience of key staff who will be involved in this project, including their experience within IV&V services. State expects Vendor’s IV&V Staff to have varied experience including ERP implementations and or providing IV&V services for ERP implementations. Preference shall be given if Vendor staff has specific experience with the INFOR ERP cloud SaaS products being delivered.

15.4. Please indicate the following experience for the selected vendor staff along with their resumes.

Provided in Appendix A are the resumes of the proposed staff.

- 15.4.1. Experience with ERP implementation projects. Specifically with INFOR on premise products and Infor CloudSuite products selected by the State.

Implementation and IV&V Experience

The proposed ISG project team possesses the necessary breadth of ERP-related expertise to provide the IV&V services that the State has requested. Our team has worked in state government as employees, installed ERP in public and private sector enterprises, supported public sector ERP evaluation and selection, and collaborated to provide IV&V services to numerous state governments. The experiences of our team are outlined in the table below, elaborated upon in Exhibit 2, and shown as employee resumes in Appendix A.

Staff Name and Project Role	ERP Implementation Projects	ERP IV&V Services	States Served
Nathan Frey Engagement Partner	Oracle PeopleSoft	Infor, CGI, SAP, Oracle	Idaho, Florida, Texas, Arizona, Mississippi, Minnesota, Wisconsin
Joe Koehn Project Manager	SAP, Oracle PeopleSoft	Infor, Oracle Cloud	Idaho
Mark Fairbank IV&V Advisor	Infor, CGI, Oracle	Oracle, Infor	New Hampshire, Rhode Island, Florida, Massachusetts, West Virginia, Idaho
Linda Griffith FSM Functional SME	Oracle PeopleSoft	Infor, Oracle	Idaho, Florida, Texas, Mississippi
Randy Meek HCM Functional SME	SAP	Infor, Oracle, CGI, SAP	Idaho, Missouri, West Virginia, Kentucky
Mark Ervin Technical SME	Custom/Framework, MS SQL, Oracle	SAP/Ariba, Versa Regulation/Accela, CGI Advantage	Florida, Pennsylvania, Georgia
Stuart Spinner OCM SME	Infor, SAP, Oracle	Infor	Idaho

Table 1: Staff Roles and Experience

Infor CloudSuite and Collective Team Experiences

The majority of ISG's proposed team have recently worked together to provide IV&V services for the State of Idaho's Infor CloudSuite implementation. As noted above, our team has additional implementation and IV&V expertise from a variety of past ERP advisory and IV&V projects. The links between the team members transcend numerous state projects, including those in Idaho, Florida, Rhode Island, Missouri, and Texas. For functional subject matter expertise across other software suite modules, ISG will be able to draw on additional IV&V employees from the Idaho Infor CloudSuite IV&V engagement.

Nathan Frey and Joe Koehn are dedicated approximately 50 percent each to this project. Mark Fairbank is local to Concord, NH, and will serve as an advisor to the State and Project Team to coordinate ad hoc access to ISG specialists when needed.

On-site / Off-site Approach

ISG's experience indicates that on-site presence during critical project activities is essential to providing informed and value-added IV&V services. As such, we are proposing a staffing model that assumes approximately 50% on-site and 50% remote services for the project manager role. There may be periods where more on-site time is indicated (e.g., project initiation, testing), and ISG will adjust accordingly. However, as we find most integrators relying on a mixed on/off-site model, we believe that a carefully coordinated on-site/remote approach provides the best value to the State for its investment in IV&V services.

ISG's Proposed Project Team Roles, Responsibilities, and Experience

The proposed IV&V project team is composed of a multi-disciplinary team of senior resources that can cover the range of project management, functional, technical, and organizational change issues that arise during a statewide ERP initiative. A summary of our team is included in our response to Section 15.11.1.2 Table 7: IV&V Team Roles and Responsibilities.

Our IV&V team and responsibilities align with the services the State is seeking and have been demonstrated effective on similar scoped projects across the nation. Duties and focus areas are tied to project outcomes rather than specific technologies, as ISG approaches IV&V engagements agnostically to help our clients achieve expected business results through the appropriate implementation of technology. Additionally, we have provided the State's requested IV&V services for Infor and all other Tier 1 public sector ERP solutions. Our approach to IV&V engagements allows our team to provide cost-efficient and effective services by eliminating potentially duplicative efforts, while maintaining the cohesiveness and support of a unified team.

On average, ISG's proposed project team has over 20 years running, implementing, overseeing, and managing governmental ERP solutions. This industry leading tenure allows ISG's professionals to proactively identify potential issues and risks before they manifest. More importantly, our seasoned professionals can offer numerous mitigation strategies to manage risks and issues to provide the State with recommended approaches to limit impacts to scope, cost, and project schedule.

Although the average tenure of our staff equips ISG with the capability and expertise necessary to be successful, our hands-on work as public servants utilizing governmental ERPs allows us to provide IV&V services from the perspective of the State. Our proposed staff has identified lessons learned as users of these systems, as well as independent overseers of dozens of statewide system implementations. Through this multifaceted perspective, ISG understands the business requirements the State will be seeking as well as the typical implementation approach of the vendor community to bring these requirements to fruition in the selected system.

Beyond governmental and nationwide ERP oversight, our proposed team has requisite direct and recent experience with the Infor software being implemented by the State.

Access to Other Resources and Skills

ISG Public Sector has repeatedly been recognized as a valued partner to our public sector clients providing resources and program management services for numerous enterprise software projects, including technology assessments, implementation strategy and road mapping, as well as assisting as the independent advisor for 25 statewide ERP projects, numerous local governments, and several institutions for higher education.

The high quality of our staff is an important reason for ISG Public Sector's continuing success and excellent client relationships. ISG Public Sector only employs senior-level consultants with a background in governmental operations, information technology, and project management. Our individual team members have extensive experience in providing the services requested by the State across the public sector. In addition, we provide consultants who are subject matter experts in administrative business functions unique to government operations. This diversified know-how gives us a keen understanding of the many requirements, problems, issues, and concerns facing governmental organizations in managing their use of information technology.

As such, we believe that ISG Public Sector is uniquely positioned to provide the State with the best value for its investment for the following reasons:

- **More than 25 years of working with public sector enterprise systems.** ISG Public Sector has considerable experience and skills in providing the services and resources requested to numerous public sector organizations – the requested services are the foundation of our business.
- **Proven methodology, tools, and templates.** ISG Public Sector will not just provide the State with high quality consultants to provide IV&V services, we will also bring our industry leading methodologies that provide standards, tools, and work processes confirmed to be successful across similarly scoped engagements for both state and local governments.
- **Business and technical expertise on enterprise administrative systems in state and local governments.** Our team members have provided various services in state government, including business and systems analysis, technical design, and architectural work, providing change management and communications services, and providing ongoing independent project management and advisory services. Furthermore, our consultants have the requisite knowledge in administrative processes, ranging from accounting, financial management, procurement, budget development, governmental personnel administration, payroll, position control, benefits administration, time reporting and employee leave accounting, and the like. As a result, our consultants can provide leadership and subject matter expertise and contribute in ways considerably beyond merely providing generic project management and IV&V services.
- **Competitive rates for comparable qualifications.** ISG Public Sector only works with senior-level professionals, the majority of whom have a career of service to the public sector. The average tenure of our consultants in government and/or system implementation is 20 years.
- **Independence from software and services firms.** Most importantly, we maintain our independence with regard to all software providers and implementation services vendors. Unlike most of our competitors, we are not implementation partners (formal or informal) of any enterprise software providers, nor do we market any software or hardware products. Our consultants are truly independent in fact and appearance. We can provide the State with unbiased advice without the risk of jeopardizing a relationship with a software, hardware, or services firm.



We Understand the Public Sector

Our understanding of the public sector is based on our prior careers as governmental employees and information systems consultants to public sector entities across the country. Our consultants have a comprehensive understanding of the critical administrative and system functions unique to government operations. Because our consultants have "walked in your shoes" as administrative and information technology managers, they have developed a sensitivity and sincere appreciation for the challenges you must address.

15.5. Capability, Capacity, and Qualifications of the Vendor (5 Pages max):

Vendors must demonstrate an understanding of the scope of services required to provide IV&V services for the SaaS Cloud ERP Implementation project. Critical vendor qualifications are listed in the section below. The vendor must provide details on these qualifications and examples where appropriate.

Since its inception in 1997, the ISG Public Sector practice has provided ERP consulting services ranging from planning and acquisition strategy to project management and specifically project oversight, quality assurance, and IV&V consulting.

To remain competitive, ISG Public Sector keeps pace with developments in the ERP market and has earned the confidence and trust of government clients through their transition from legacy systems to on-premise ERP and eventually to Cloud-based ERP solutions.

As described in our response to Section 15.6 our IV&V approach and methodology address the full scope of services and project activities necessary for thorough delivery of IV&V services for a SaaS ERP implementation. In summary, our iterative process validates that the project is being conducted in accordance with industry standards and the contractual deliverables promised to the State in its agreements with the software and implementation services vendors. Additionally, we conduct verification activities to determine that the functional and technical requirements of the project are being delivered in a way to meet the State's defined needs and objectives for the ERP project. We have designed our assessment ratings and scorecards around fifteen practice areas that encompass sound project management disciplines and the delivery of functional and technical requirements. Combined with a team of IV&V professionals who know state government and the in-scope business processes, we are fully aware and capable to deliver the services requested in the State's RFP.

Critical IV&V Vendor Qualifications:

- 15.5.1. Proven IV&V experience of at least five (5) years, providing IV&V services for Government ERP implementations and how your IV&V participation contributed to the success of the project.

ISG as a consultancy, and our proposed team members, bring a broad set of experiences with financial management solutions and technology projects. This enables ISG to provide independent and objective services in an effective and cost-efficient manner that goes beyond the typical IV&V "audit" functions and will result in significant value to the State's ERP project. Our experience is described below:

- **ISG has provided ERP advisory services to 25 statewide government ERP implementations:** Alaska, Arkansas, Arizona, Florida, Idaho, Indiana, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Missouri, Mississippi, Nebraska, Nevada, North Carolina, Oklahoma, South Dakota, Rhode Island, Tennessee, Texas, Virginia, Washington, West Virginia and Wisconsin.
- **ISG has provided project oversight, quality assurance, and IV&V services** for 17 statewide ERP projects: Alaska, Arkansas, Arizona, Florida, Idaho, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Missouri, Mississippi, Tennessee, Texas, Washington, West Virginia and Rhode Island.
- **ISG has over 25 years of experience serving as quality assurance and IV&V consultants for government ERP implementations.** Within the past 5 years, we have served as IV&V and quality assurance consultants for the states of: Michigan, Florida, Idaho, Missouri, and Rhode Island.
- **ISG contributes to the success of our client's projects.** As an example, ISG's Idaho IV&V procurement lead had deep domain experience in the areas of Vendor Catalog Punchout and EDI functionality from prior ERP engagements. Initially, Idaho had planned to defer catalog and EDI functionality until sometime after the FSM go-live date. At the encouragement of our team member, advising on an incremental and pragmatic strategy, the State successfully moved forward with both catalog and EDI



capabilities in the initial go-live scope. The ability for requisitioners to procure goods through an on-line catalog shopping experience has been noted as one of the earliest successes of the Idaho project.

- 15.5.2. IV&V experience for at least one (1) completed or active SaaS Cloud ERP implementation for a US State, Large City or County over the last 3 years (2019 onwards).

Over the past 3 years, ISG has served as IV&V provider on multiple Cloud ERP implementations for State and local government and large higher education institutions. The table below summarizes our IV&V experiences with SaaS Cloud ERP implementations for 2019 through the date of this proposal.

ISG IV&V Client	SaaS ERP Software	Systems Integrator	Status
State of Idaho	Infor CloudSuite	Deloitte Consulting	July 1, 2023, Go-Live
State of Rhode Island	Workday	Accenture	Active Implementation
State of Missouri	Oracle Cloud	Accenture	Active Implementation
City of Jacksonville, Florida	Oracle Cloud	AST	Completed
Washington State University	Workday	Deloitte Consulting	Completed

Table 2: Large SaaS Cloud ERP Engagements Since 2019

- 15.5.3. Demonstrated ability to provide IV&V services for INFOR ERP products selected by the State.

As previously noted, ISG has provided IV&V services for the State of Idaho implementation of Infor CloudSuite since September 2019. Idaho’s “Project Luma” encompasses all in-scope functionality for the State of New Hampshire. The State of Idaho Office of the State Controller led the Project Luma implementation and is listed as a reference in this proposal. ISG’s relationship with the Idaho Controller’s office dates to October 2014, when ISG completed a systems modernization study for presentation to the State Legislature. ISG then led the procurement process for acquisition of ERP software and implementation services that were awarded to Infor as the software provider and Deloitte Consulting as the systems integrator.

As noted in our proposed project staffing (see Table 1: Staff Roles and Experience above) the majority of our proposed team has direct Infor IV&V experience from the Idaho project. Collectively, this proposed team has project and professional relationships that date back for many years. Additionally, we have other ISG team members (Table 3 below) from the Idaho engagement that that will be available, if needed, to support specific functionality or business process needs relating to IV&V services in New Hampshire.

ISG Resource	Idaho Infor CloudSuite Implementation “Project Luma” Role	Years of Infor IV&V Experience
Charles Williams	<ul style="list-style-type: none"> ▪ General Ledger ▪ Chart of Accounts ▪ Cost Allocation 	2.5 Years
Kim Walker	<ul style="list-style-type: none"> ▪ Asset Management ▪ Accounts Receivable ▪ Custodial Accounts 	2.5 Years
Willo Laurel	<ul style="list-style-type: none"> ▪ Projects & Grants (P&G) ▪ Agency P&G Conversions 	2.5 Years
Adam Crutchfield	<ul style="list-style-type: none"> ▪ Training Development ▪ Learning & Development Platforms 	2.5 Years

Table 3: Additional Infor IV&V Staffing

15.5.4. Demonstrate ability to provide Independent IV&V service without any potential conflict of interest.

ISG Public Sector has no contractual obligations or other relationships with Infor from a software or services basis that would cause a conflict of interest in providing objective and independent IV&V services. Throughout ISG Public Sector's more than 25 years serving our public sector clientele, we have always maintained our independence from software vendors and providers of implementation services. As we often have a role supporting the competitive procurement process for ERP software and services, this independence is important to the fair and impartial conduct of procurement activities. Likewise, in our role as IV&V or quality assurance advisors, our independence and objectivity mean that we are free to advise and advocate for our clients' best interests without concern for other commercial entanglements.

Additional Relevant Capabilities for SaaS ERP IV&V and Quality Assurance

Although ISG Public Sector is known as an industry leading ERP selection, oversight, and IV&V service provider, our broader firm has the capabilities our clients rely upon throughout their greater cloud journey.

Research and Advisory Services

ISG Provider Lens™ delivers leading-edge and actionable research and consulting services across business processes, IT services and technology. Research reports are focused on providing independent vendor/service provider evaluations, outlining strengths and weaknesses of the companies that are positioned relative to their peers in the market. These reports also provide influential insights to enterprises and are widely accessed by ISG's large pool of advisors who are actively supporting enterprises to transform and optimize their operational environments. Additionally, ISG is the only major research company that has dedicated public sector reports. These reports include details of governmental ERP solutions, as well as implementation and integration vendors.

Often a starting point of discussion, ISG Provider Lens™ reports play a vital role as decision influencers for enterprises looking to outsource to a suitable service provider or find the right technology partner. We are seeing more public sector entities engage multiple research companies, which offers a variety of perspectives to help see the full picture when faced with difficult decisions.

Our research is available through NASPO ValuePoint's IT Research & Advisory Services portfolio. Not only does this pre-negotiated contract vehicle make it easy for the State to procure, but we have also approached our research subscription differently than most other companies. Our subscription allows an entire business unit or office to be licensed, rather than a single "seat" approach that is typical of other research providers. This means everyone can read the research and schedule calls with our analysts and consulting advisors. Our goal is to open our insights to the broadest group of stakeholders possible to provide true value and partnership with our public sector clients.

15.6. Work Plan (27 pages max):

This is the core part of the Technical Proposal. This section should outline, in detail, the Vendor’s approach and methodology to deliver all the tasks/services covering the entire scope of this RFP.

Overview

This section describes in detail the approach the ISG team will use to observe project activities, examine work products, and inquire to conduct validation and verification analyses to assess quality and risk in all areas of the project. In addition, the ISG IV&V process aligns the ISG team to work in partnership with the project team to help the State derive the most value from evaluation services delivered by ISG.

Our team will fulfill your requirements and satisfy your expectations by leveraging:

- Our IV&V methodology – an objective process of scrutiny, analysis, and idea generation;
- Our deep experience providing oversight to multiple large-scale and multi-year ERP implementations, including seventeen (17) statewide quality assurance and IV&V engagements; and
- Our team of senior consulting staff, specializing in the delivery of IV&V services across major IT implementation projects in numerous states and local governments, including team members recently providing IV&V serves for the State of Idaho Infor CloudSuite implementation.

The IV&V team will apply industry standards for project management and software development, configuration, security, testing, user training, and organizational change management to analyze, document, and present periodic assessments on specific elements of the project (e.g., functional, technical, OCM) and overall project health to project leadership and other stakeholders identified by the State.

ISG IV&V consultants are proactive participants whose work fosters a positive and collaborative project environment with a focus on achieving project goals. The rigor and depth of analysis will be managed to make efficient use and minimize the demand for the time and attention of State and Infor project team members.

For each type of deliverable and activity to be assessed in the Scope of Services, the ISG team will execute evaluations using our methodology to provide the State with the most impactful results of IV&V by delivering practical, actionable, and thoughtful analysis and recommendations.

The timeline for conducting IV&V activities will be managed in parallel with the State/Infor agreed-upon project schedule with assessments of work deliverables and other activities taking place as close as possible to their delivery. IV&V services will adapt to the activities and work products of each of the major phases/milestones of an ERP project: Implementation Planning, Functional/Technical Design, Configuration & Development, System Testing & Training, and Deployment.

Approach & Methodology

ISG’s IV&V Methodology is built on a 6-step process (described in Figure 2: The ISG 6-Step IV&V Assessment Methodology) to organize work and ensure the ERP project activities and results are considered from all angles. The process relies on information gathered from project management and specification documents, direct examination of work products and observation of activities, and engagement with project teams, project management, and sponsors or other stakeholders.



Figure 1: ISG Value-Add Approach

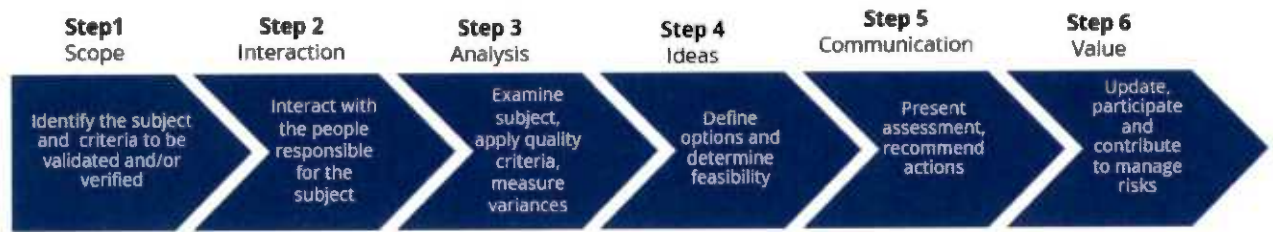


Figure 2: The ISG 6-Step IV&V Assessment Methodology

The IV&V team activities will include cycles of observation, review, examination, and analysis as the Project pursues each stage of the implementation lifecycle. Whereas the Project aims to complete each stage and move to the next and the work differs greatly during each, the cyclical work of the IV&V team relies on a repeatable process applied to different subjects.

To make the most efficient use of project resources, the rigor of analysis will be managed based on the relative risk associated with the subject evaluated.

Examination of Subjects

The IV&V team will work with management to identify the subjects and obtain the necessary artifacts (e.g., design specifications, documents, work products) for evaluation. The IV&V team will identify appropriate standards and criteria to form the basis of reference for the evaluation (e.g., Project requirements, PMI Project Management Book of Knowledge (PMBOK); Governmental Accounting Standards Board (GASB) Statements or pronouncements).

The IV&V team will execute the initial comparative analysis to verify quality by evaluating the subject to determine whether the deliverable and related implementation services satisfy requirements and acceptance criteria.

Following evaluation, the IV&V team will begin to identify risks and the potential options to avoid, reduce and/or mitigate those risks. This analysis begins with confirmation of the complexity of factors to be included in the analysis along with project management, governance, business process and technical implications. Project or operational constraints will be identified. Variances and/or gaps from the analysis of the artifact to the standard will be recorded, interdependencies confirmed, and deficiencies and strengths noted. Risks (or benefits) to the project life cycle will be identified and quantified.

The best and most viable options will be identified from the analysis. Project impacts and communication needs are then considered and become part of the draft recommendations. The analysis along with the recommendations are reviewed with the project team.

Observation of Activities

The IV&V team will attend and participate in project meetings, identify subject matter stakeholders, and schedule interviews if necessary to review plan objectives, discuss relevant topics, or complete inquiries. The IV&V team will draft observations from these activities, validate salient facts, and include these in reports.

The IV&V team will validate documented evidence to assess that the project is planned, managed and executed effectively, the system satisfies its requirements, and the solution achieves its business goals. Complexities that directly affect the magnitude of variances and risks are identified along with data for variance analysis.

The IV&V team will inspect work products and documentation. If needed, walkthroughs will be requested to examine the functional specifications and system functionality by following logical paths and business

scenarios through the software as determined by input conditions and choices made along the way. Independent verification of terms, conditions, payment, etc., will be performed against contracts.

IV&V Tools & Templates

ISG will leverage the standard software and collaboration tools adopted by the State's project (e.g., Microsoft SharePoint, Word, Excel, PowerPoint, Project). The IV&V periodic assessment reports will be developed in Microsoft Word with attachments in PowerPoint and/or Excel as needed.

ISG will work with the State to provide an IV&V dashboard template based on the examples shown below. As part of the IV&V start up activities, ISG will work with project leadership to finalize the format to be used to generate the IV&V Dashboards in the IV&V Assessment Reports.

IV&V Deliverables

Periodic IV&V assessment reports will be formatted in two parts. The first part will present an executive summary containing narrative on key topics for the evaluation period and a summary IV&V dashboard on overall project health. The second part will contain details on individual subjects validated and verified for the reporting period and detailed IV&V scoring with comments used to calculate the dashboard.

For the Monthly Executive Health Assessment Reports, the IV&V team will focus on answering key questions about quality. For example, project performance questions based on industry standards drawn from the practice areas as defined by the PMBOK and industry best practices:

1. **Project Integration Management** – Over the life of the project, effective project management processes are being used and coordinated within the Project and with all Project participants to achieve desired results
2. **Project Scope Management** – The Project's approach to scope management ensures that changes to project scope are controlled and approved
3. **Project Time Management** – The Project is effectively managing the timely completion of the activities
4. **Project Cost Management** – The project is routinely estimating, budgeting, managing and controlling costs so that the project can be successfully completed
5. **Project Quality Management** – The project is defining quality measures and using continuously improving processes to achieve intended results
6. **Project Human Resource Management** – The project is acquiring, developing and managing appropriately skilled and adequately staffed project teams
7. **Project Communications Management** – The project team is identifying stakeholders and supporting timely, appropriate and accessible communications over the project's life
8. **Project Risk Management** – The Project is effectively identifying, analyzing, and controlling project risks and issues
9. **Project Procurement Management** – The Project is appropriately managing the acquisition of products and services needed from outside the project team and is effectively managing the resulting contracts over the life of the contract
10. **Project Stakeholder Management** – The Project has identified key individuals, groups or organizations that could impact / be impacted by the Project and is using the appropriate strategies to ensure stakeholder engagement on Project decisions, effective governance, and productive sponsorship participation

11. **Project Change Management** - The Project is appropriately managing the impact of change on employees, business processes, and addressing the impact of regulations and statutes
12. **System Capability Management** - The Project is effectively communicating process and security requirements (and changes to requirements), managing all configuration activities and artifacts, and reviewing/approving software design and development
13. **Project System and Acceptance Testing** - The Project has identified and developed the appropriate test scripts to evaluate and accept system development and configuration and instituted the necessary criteria for acceptance
14. **Project Vendor Management** - The Project is monitoring vendors and subcontractor to ensure they meet all requirements
15. **Project Training Management** - The Project is developing and delivering training to successfully prepare users in use of the new system

For each of the project management areas listed above, the Monthly IV&V Evaluation Report addresses the following general questions:

- What is the Project's current progress in this area?
- What is positive about the Project's process?
- What about the Project's process or technology needs improvement?
- Is the effort within the constraints of budget, scope, and schedule?
- Is the appropriate documentation and other project artifacts accurate and up to date?
- Is there adequate Stakeholder involvement in the Project?
- Are best practices and metrics employed to identify issues, progress, and performance?

The IV&V Assessment Reports will also include validation of project issues and risks and deliverables for the reporting period. Deliverable reviews will be based on the objective six-step process and standards described above in the IV&V Approach section.

As work progresses, IV&V Assessment Reports will also include discussion of transition planning, organizational change management, and readiness activities.

Interim Reporting of Issues & Risks

As noted in our communications response Section 15.11.1.4 (see 6 Table : IV&V Communication Types and Channels), the IV&V Project Manager will work with the State's Project Director to determine how best to communicate interim reporting of issues and risks arising with a state of urgency that warrant escalation between monthly assessment reporting periods. ISG will rely on the ad hoc communication channels appropriate for the particular issue or risk. We will support the State in updating the risk and issues logs maintained as part of the ongoing risk and issue tracking process.

IV&V Project Dashboard

A Project Dashboard is generated each month to indicate the relative health of each project area. Each project area comprises a scope of activities and/or outcomes. Tasks/activities within the project areas are reviewed and rated using a 5-point scale with 1 being most severe. See the Impact Severity Rating in the following Figure 3: IV&V Dashboard - Scoring Standards. Any task in a project area receiving a rating of 1-3 will require an explanation, including any pertinent background information for the finding and will need to be formally addressed by the project team. A cumulative score is tabulated and presented in the Project Dashboard. Any task in a project area rated 1 to 3 will be included in the Part 2 "Assessment Details" section



of the Monthly Executive Health Assessment Report with an explanation of the finding. Such items will be reported until the condition(s) rated are improved and/or resolved. See an example of our project dashboard in Figure 4: IV&V Summary Dashboard.

Examples of IV&V Dashboards

ISG will work with the State to create IV&V dashboards that the State feels best communicates project progress and status. Three examples of IV&V summary dashboards that ISG has successfully used with other clients are presented in this section.

The ratings in the IV&V Dashboards that follow calculate a score using ISG’s IV&V scoring tool that applies 94 standardized criteria based on 15 Project Management Areas. The example dashboard content included in our examples has been truncated to meet proposal page limits. The IV&V activities and reporting dashboards were completed across all 15 Project Management Areas.

IV&V Scoring Standards					
	1. Catastrophic	2. Critical	3. Moderate	4. Minor	5. Editorial
1 Project Integration Management	Inability to achieve desired project results	Many project management processes are neglected or ignored	Project management processes are poorly coordinated	Project artifacts are not updated or communicated	No Material Findings
2 Project Scope Management	Scope mismanagement has jeopardized project success	Scope mismanagement has greatly increased schedule and/or cost	Scope creep has added complexity and may risk project success	Scope is poorly defined, poorly documented, frequently changing or redefined	No Material Findings
3 Project Time Management	N/A	Significant schedule slippage	Schedule impact due to rework and retest	Issues present Risk to schedule	No Material Findings
4 Project Cost Management	N/A	Significant cost impact increase	Cost impact due to rework and retest	Minimal cost impact, creating inconvenience for operations	No Material Findings
5 Project Quality Management	Poor quality is causing Project to not achieve objectives	Deadlines are regularly missed and/or budget overruns occur routinely	Project fails to collect sponsor and client input for quality reporting	Quality plan is too narrow, measures and reporting are not comprehensive	No Material Findings
6 Project Human Resource Management	Project staffing is inadequate to complete work according to plan due to a) unfilled positions and/or b) a severe deficit of required skills	Project suffers delays to critical path milestones due to staffing issues	Quality of project deliverables is negatively affected due to staffing issues	Additional training/skills are needed to ensure quality	No Material Findings



IV&V Scoring Standards					
	1. Catastrophic	2. Critical	3. Moderate	4. Minor	5. Editorial
7 Project Communications Management	Stakeholders receive misinformation on project performance	Cost and schedule impact due to incomplete or delayed project information	Project shareholders are not receiving current and complete information	Communications practices are not standardized and may omit key information	No Material Findings
8 Project Risk Management	Project has lost control, no adequate tracking or progress monitoring	Project fails to recognize impact of interrelationships of system components	Project fails to recognize scope creep, extended deadlines or staff increase	Deviation from preliminary plan or potential risks not recognized or assessed	No Material Findings
9 Project Procurement Management	Project is at extreme risk due to breakdown in procurement process	Poor supplier vetting or management has resulted in significant schedule delay	Poor supplier management has resulted in negative cost impact	Mismanagement has created inconvenience / inefficiency for operations	No Material Findings
10 Project Stakeholder Management	Project is at odds with stakeholders	Unrealistic expectations have resulted in lost stakeholder trust and support of project	Project's expectations shared with stakeholders is unrealistic	Project fails to develop a stakeholder plan or identify correct stakeholders	No Material Findings
11 Project Change Management	Project adoption is slowed, utilization is lower, expected returns are not realized	Failure to manage people side of change is causing missed milestones	Failure to manage people side of change is causing delay and increased cost	Potential change issue(s) identified, risk is not being addressed or managed	No Material Findings
12 System Capability Management	Loss of essential capability	Degradation of an essential capability	Degradation of system capability or dependability	Documentation is deficient, degradation of a non-essential capability	No Material Findings
13 Project System and Acceptance Testing	Testing unable to be executed according to plan	Essential capability not tested	Essential capability inadequately tested	Non-essential capability inadequately tested	No Material Findings
14 Project Vendor Management	Work has halted to dispute or other vendor management issue(s)	Vendor unable to comply with committed expectations resulting in missed milestone	Vendor perception of deliverables is causing increased cost or delay	Project failed to identify all vendors and subcontractors and requirements of each	No Material Findings

IV&V Scoring Standards					
	1. Catastrophic	2. Critical	3. Moderate	4. Minor	5. Editorial
15 Project Training Management	Adoption of system is low as employees are unsure how to utilize the new technology	Training delivery and/or testing is truncated, user adoption is compromised	Training is delayed or condensed due to schedule slippage	Training plan is incomplete with documentation, tools and/or resources being deficient	No Material Findings

Figure 3: IV&V Dashboard - Scoring Standards

Typically, severity ratings 1-3 warrant a formal disposition by the Project and the disposition verified prior to closure. Issues of severity rating 4 or 5 should be periodically reviewed by the Project, but a formal response is not required.

Issues and risks are usually reviewed by the Project on a weekly or more frequent cycle. The IV&V team will attend and participate in those reviews to assess the plans, actions and decisions made to resolve issues and manage risks.

The evaluation of the issues and risks process along with the status of items causing significant negative impacts or posing material risk will be accumulated and included in the Monthly IV&V Assessment Report.

EXAMPLE: IV&V Summary Dashboard			CURRENT	PRIOR
	PROJECT AREA	PROJECT AREA DESCRIPTION	RATING	
1	General Project Management	Consistent and effective project management processes are being used and coordinated within the Project and with Project participants to achieve desired results.		
2	Project Scope Management	Effective scope management practices are evident.		
3	Project Time Management	The project schedule continues to be at risk due to the factors described in the Executive Summary and discussed in Section 2.1 Project Risks.		
4	Project Cost Management	The Project is routinely estimating, budgeting, managing, and controlling costs.		
5	Project Quality Management	The Project has defined quality measures and uses continuously improving processes to achieve intended results. The State expresses clear and thorough expectations for quality. Accenture responds positively to address concerns.		
6	Project Stakeholder Management	The Project has identified key individuals, groups or organizations that could impact/be impacted by the Project and uses consistent outreach strategies to ensure stakeholder engagement on Project decisions, effective governance, and productive sponsorship participation.		

EXAMPLE: IV&V Summary Dashboard			CURRENT	PRIOR
	PROJECT AREA	PROJECT AREA DESCRIPTION	RATING	
7	Project Communications & Readiness	The Project team routinely identifies internal and external stakeholders and supports timely, appropriate, and accessible communications.	■	■
8	Project Risk & Issue Management	The Project is effectively identifying, analyzing, prioritizing, and controlling project risks and issues.	■	■
9	Project Procurement Management	The Project is appropriately managing the acquisition of products and services needed from outside the project team and is effectively managing the resulting contracts over the life of the contract.	■	■
10	Project Vendor Management	The Project is monitoring vendors and subcontractors to confirm they meet all requirements and managing performance where needed.	■	■

Note: This example has been abbreviated to comply with page limits.

Figure 4: IV&V Summary Dashboard

Following is another example format of an ISG IV&V dashboard containing components used to summarize IV&V status in major areas focus, as well as components used to drill into areas of concern and to quickly identify items needing attention, based on detailed scoring against standardized criteria.

In the summary section, areas are evaluated and reported separately using red-yellow-green categorization, based on quantifiable results produced by the ISG IV&V assessment process in concert with industry standards and client-specific criteria. An overall assessment is also included. Any deficiencies, risks and/or issues warranting attention are noted briefly for treatment in the detailed section.

In the detailed section, deficiencies, risks and issues are gauged individually against the project criteria and each item falling into a quadrant that is less than optimal is included in a detailed table.

Example: ISG IV&V Summary Dashboard

Project Schedule Management						
Planned Start	Planned End	Forecasted End	Schedule Variance	IV&V Status	Schedule Risks:	A B C
mm/dd/yy	mm/dd/yy	mm/dd/yy	100%		Schedule Issues:	A B C
Project Cost Management						
Planned Expenditures to Date	Actual Expenditures to Date	Cost Variance	IV&V Status	Cost Risks:	A B C	
\$100,000.00	\$90,000.00	(10%)		Cost Issues:	A B C	
Project Execution & Management						
Project Governance	Project Scope	Overall Requirements Quality	Process & Design Quality	Deliverable Quality	QA Testing	Organizational Readiness
Risks	Risks	Risks	Risks	Risks	Risks	Risks
A B C	A B C	A B C	A B C	A B C	A B C	A B C
Issues	Issues	Issues	Issues	Issues	Issues	Issues
A B C	A B C	A B C	A B C	A B C	A B C	A B C

This example uses two quadrant analyses and a findings table to report findings and recommendations for items needing attention. Using an evaluation scale with points ranging from zero to optimal for a defined axis (e.g. quality, timeliness, conformance, value), ISG assessments quantify findings for the purposes of measuring status and urgency.

The Delivery Performance quadrant analysis on the left is used to assess the subject's assessment in terms of quality (y axis) and timeliness (x axis).

The Business Requirements quadrant analysis on the right is used to assess system deliverables in terms of quality, in this case conformance with the project's specified ERP business requirements (y axis) and the overall goals of the ERP project (x axis).

The Delivery Performance Table appearing below the two quadrant analyses is used to report findings that are suboptimal by one or more of the criteria that forms each axis in the quadrant analyses.

In this example, in the Delivery Performance quadrant analysis on the left, subject 1d falls short in both the Quality of Deliverable and Delivery to Schedule criteria. Issue 2c falls short in Quality but not Schedule. Both subjects warrant inclusion in the table to report each observation along with recommendations to recover/resolve the deficiencies.

Example of an IV&V Summary Assessment

This example is the Executive Summary section of a more detailed IV&V monthly assessment report in which ISG provides independent observations using an evidence-based rating method applied to fifteen standard project areas listed in the following table. Each of the 15 areas is broken down to multiple task level components that align closely to the 80 tasks enumerated in the State's RFP.

Project Areas		
General Project Management	Project Scope Management	Project Time Management
Project Cost Management	Project Quality Management	Project Human Resources
Project Communications & Readiness	Project Change Control	System Capability
Project Stakeholder Management	Project Risk & Issue Management	Project Procurement
System and Acceptance Testing	Project Vendor Management	Project Training

The ratings are calculated using a five-point scoring range designed to objectively assess conditions in each project area based on evidence observed and examined. Each assessment is given a score between 1 and 5, with 1 being the highest severity and 5 to indicate no material findings.

Example: ISG IV&V Detailed Dashboards

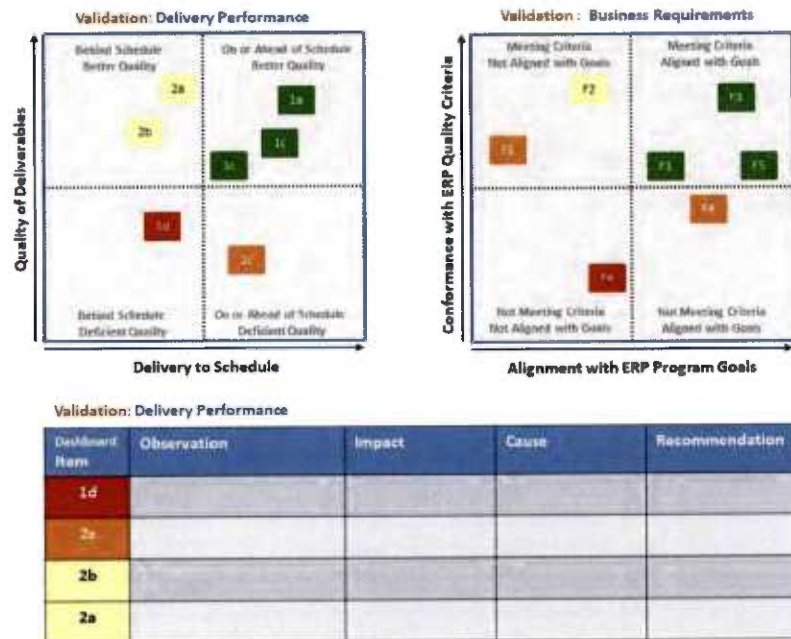


Figure 5: IV&V Detailed Dashboards

Assessment Scoring					
Blank	1	2	3	4	5
Not Active	Catastrophic	Critical	Moderate	Minor	No Material Findings

Figure 6: Assessment Scoring Criteria

Ratings are applied to multiple tasks or deliverables in each project area to calculate an average score for the area. The resulting score for each area is used to determine a status based on the commonly used scale of green, yellow, or red, as defined in the table below and indicated by an icon for each project area in the IV&V Dashboard.

Color	Icon	Description
Green		The assessment category or area is on track without material issues. The project team should consider any recommendation offered by the IV&V team as process improvement opportunities only.
Yellow		The assessment category or area faces a challenge or set of challenges that could, if left unmanaged, negatively impact the Project's outcome in terms of schedule, cost, or quality in the future. The project team should prioritize corrective action.
Red		The assessment category or area faces a challenge or set of challenges that threatens the Project's outcome in terms of schedule, cost, or quality. The project team should take corrective action immediately.
White		During the project life cycle some project areas may not have activities underway. Project areas not assessed will be reported using a white icon.

Figure 7: IV&V Dashboard Legend

EXAMPLE: IV&V Overall Risk Summary			
Current Period	Prior Period	Overall Trend	Observations <i>Based on standardized IV&V scoring</i>
			<ul style="list-style-type: none"> ▪ Treasury phase successfully launched in July. This major accomplishment validates the Project’s efficacy and progress toward eventually replacing the legacy financial system. ▪ Post-launch incidents requiring repairs or modifications to the application, interfaces, and/or data, have required constant attention to avoid business disruption in the areas of investment accounting and interest apportionment. ▪ The Project is in the process of defining the approach and statement of work to implement a consolidated Financials phase statewide in 2024. The consolidated implementation greatly reduces the complexity and risks associated with the prior plan to retain and operate the legacy system in a hybrid state for multiple years. ▪ It is imperative that the consolidated approach, schedule, and contract amendment be completed and in effect as soon as possible to avoid squandering the time gained for agencies to prepare. ▪ Observed planning activities are consistent with the Project Management Plan and standard practices. ▪ Risks and issues are being managed proactively and with an appropriate sense of urgency. ▪ The risk of turnover in key positions remains high. The multi-year, multi-phase implementation approach increases the probability of occurrence. ▪ Cost management and resource allocation are monitored closely by Track Managers and the PMO. ▪ Quality control, financial control, and vendor processes are established and consistently executed.

Note: This example has been abbreviated to comply with page limits.

Figure 8: IV&V Overall Risk Summary

EXAMPLE IV&V Dashboard		EXAMPLE SCORE		
PROJECT AREA	PROJECT AREA DESCRIPTION	MEAN	MEDIAN	MODE
Project Integration Management	Over the life of the project, effective project management processes are being used and coordinated within the Project and with all Project participants to achieve desired results	3.25	4.00	4.00
Project Scope Management	The Project’s approach to scope management ensures the project success	4.00	4.00	4.00
Project Time Management	The Project is effectively managing the timely completion of the activities	4.00	4.00	4.00
Project Cost Management	The project is routinely estimating, budgeting, managing and controlling costs so that the project can be successfully completed	4.00	4.00	4.00
Project Quality Management	The project is defining quality measures and using continuously improving processes to achieve intended results	3.33	3.50	4.00

EXAMPLE IV&V Dashboard		EXAMPLE SCORE		
Project Change Management	The Project is appropriately managing the impact of change on employees, business processes, and addressing the impact of regulation and statute	3.88	4.00	4.00
System Capability Management	The Project is effectively communicating process and security requirements (and changes to requirements), managing all configuration activities and artifacts, and reviewing/approving software design and development	3.88	4.00	4.00
Project System and Acceptance Testing	The Project has identified and developed the appropriate test scripts to evaluate and accept system development and configuration and instituted the necessary criteria for acceptance	4.22	4.00	4.00
Project Vendor Management	The Project is monitoring vendors and subcontractor to ensure they meet all requirements	3.88	4.00	4.00
Project Training Management	The Project is developing and delivering training to successfully prepare users in use of the new system	3.22	4.00	4.00

Note: This example has been abbreviated to comply with page limits.

Figure 9: Example IV&V Dashboard Scoring Detail

15.7. Other details

In addition, Vendors should provide information about the following key components and any other detail the vendor feels are important for an IV&V service for an implementation of this magnitude and complexity.

- 15.7.1. In the proposal, the bidder is expected to describe the actions necessary to produce the deliverables. In addition, the bidder should use examples to describe the format and content of the deliverables.

The Monthly IV&V Assessment Report is the primary deliverable to be created through the provision of IV&V services. Please see the sample excerpts from our monthly assessment reports provided in our response to Section 15.6 of this proposal.

Review of the Infor deliverables will be an important and recurring activity throughout the project. Deliverable reviews are an integral part of ISG’s 6-step assessment methodology. The deliverable review notes are an ISG work product that the State can use to determine the quality and effectiveness of Infor-produced deliverables. We recommend the use of “deliverable expectation documents,” agreed to in advance between the State and Infor as a basis for establishing agreed format, content, and acceptance criteria before work begins on each deliverable.

- 15.7.2. In their workplan, the Bidder is expected to present a clear understanding of the methods and tools used to complete required tasks and deliverables.

See our IV&V Project Plan in Exhibit #4. This is a preliminary workplan based upon our present understanding of the State’s 18-month timeline. During the Inception phase of the project, ISG will produce the IV&V Management Plan. At that time, we would also align our project plan to the match the project schedule, key project tasks, and milestones agreed between the State and Infor (i.e., as described in Section 2.4.5 of the RFP).



- 15.7.3. The Bidder's proposal must describe its Project Management process in detail to provide the State with an understanding of its approach.

The IV&V Engagement Partner and Project Manager will work together with State and Infor project leadership to coordinate the assignment of IV&V work. The IV&V team is composed of cross-functional consultants. Each IV&V team member brings their expertise in more than one functional area, including business process areas, technical areas, and/or project performance areas.

As subjects are identified to undergo IV&V analysis, the IV&V Project Manager will make assignments within the team. The assignments will specify the criteria to be applied, the level of effort anticipated, and the deadline for completion of activities. The IV&V Project Manager will supervise the execution of all IV&V activities, which frequently include meeting participation, deliverable reviews, risk assessment, and input to the monthly IV&V assessment report.

- 15.7.4. For the IV&V Tasks described in this RFP, bidders are asked to provide a proposed plan of specific IV&V activities, timeline, and resources to accomplish the proposed tasks.

On the following pages, ISG has provided a timeline of IV&V activities aligned with the typical milestones of a statewide ERP deployment as described above. This proposed plan would be aligned with the detailed project plan resulting from the Infor implementation plan and project-level tasks and activities.

ISG's resourcing plan is described in Table 1: Staff Roles and Experience. This resourcing model has proven effective for recent state projects such as Rhode Island, Florida, and Missouri. By applying a small team of senior resources in a flexible model (e.g., half-time assignments with ability to scale up/down as needed), ISG is able to provide a high-value, cost-effective IV&V solution for the State.

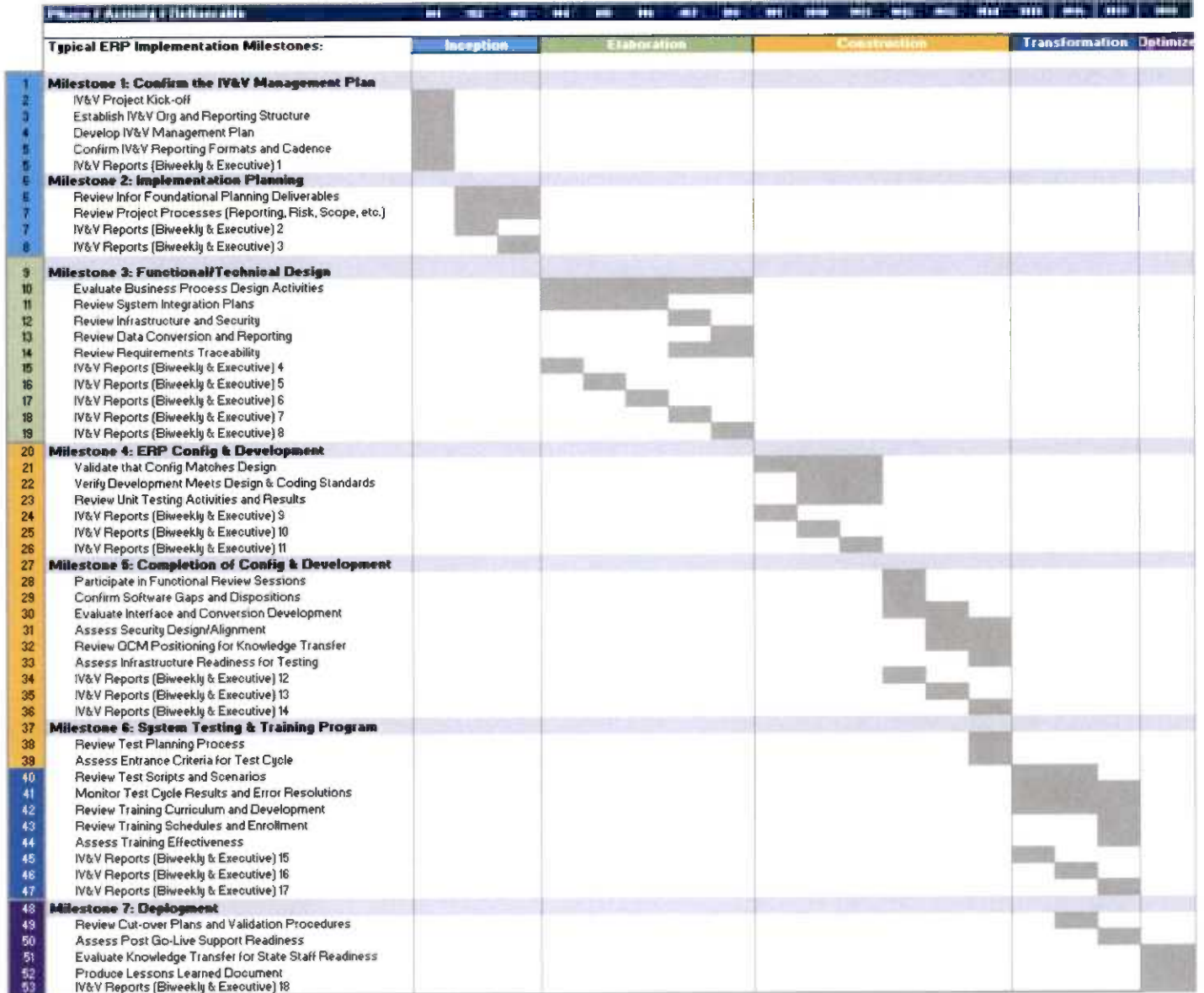


Figure 10: High Level Project Plan



15.7.5. The proposals should include an analysis of each of the tasks, and for each, a specific proposed plan of work, milestones, and resources proposed.

On the following pages, ISG has provided a table containing a proposed plan for each of the IV&V activities identified in Section 3 of the RFP. The table analyzes each task and provides the type of activity (e.g., one-time, ongoing), the method of approach (e.g., evaluate [E], verify [Ve], validate [Va], interview [I]), the anticipated resource assignment (e.g., Engagement Partner [EP], Project Manager [PM], Subject Matter Expert [SME]), and a brief statement of our approach to completing that task. Please note that this table has been abbreviated to comply with page limit requirements. The table can be seen in its entirety in attached Exhibit #4, IV&V Project Plan.

Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
PM1	Evaluate the project management plans and procedures to verify that they are developed, communicated, implemented, monitored, and completed.	One-time	X			X	EP, PM	Review deliverable expectation documents (DEDs) and written deliverables per the SI statement of work. Interview State and SI project management and governance members to ensure understanding of requirements and expectations.
PM2	Initial evaluation of project reporting plan, meeting cadence and actual project reports to verify project status is accurately traced using project metrics.	One-time	X			X	EP, PM	Review DEDs, deliverables and interview key stakeholders. Evaluate tools and techniques used to manage project progress and metrics.
PM3	Verify milestones and completion dates are planned, monitored, and met.	Ongoing		X		X	PM	Participation in weekly project status meetings and workplan reviews.
PM4	Verify the existence and communication of an appropriate project issue tracking mechanism that documents issues as they arise, enables communication of issues to proper stakeholders, documents a mitigation strategy as appropriate, and tracks the issue to closure. This should include but is not limited to technical and development efforts.	One-time		X		X	PM	Review DEDs and deliverables. Review risk and issues log policies, procedures and management mechanisms. Discuss with key functional and technical stakeholders to assess adequacy to meet needs of a complex statewide ERP project.
PM5	Reviews should include, but are not limited to the following: <ul style="list-style-type: none"> ▪ Project Charter, ▪ Project Schedule, ▪ Project Scope by workstream, ▪ Communication plan, 	One-time and Ongoing	X	X	X	X	EP, PM, SME	ISG commits to IV&V review of the listed implementation project and systems integrator deliverables noted in Task #PM5. Most of these deliverables are one-time reviews. Others, such as monitoring the project schedule, scope, and staffing, are ongoing IV&V activities that occur as part of the IV&V team’s integration with project management and participation in project team activities.



Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
	<ul style="list-style-type: none"> Data migration and validation Plan, Testing Plan, Organizational Change Management Plan Training Plan, (Including LMS & User Adoption Platform (UAP) tools) Staffing Plan, Project Reporting Plan, Interface Plan, Conversion Plan, Acceptance & Hand Over Plan. 							Execution of activities implied by these deliverables will be monitored via the IV&V recurring processes of identification, examination, observation, and feedback.
Risk Management								
RM1	Evaluate the project's risk management plans and procedures to verify that risks are identified and quantified and that mitigation plans are developed, communicated, implemented, monitored, and completed.	One-time	X		X	X	EP, PM	Review DEDs, deliverables and interview key stakeholders. Evaluate tools and techniques used to identify and monitor project risks and issues.
RM2	Interview stakeholders to identify additional risks and work with project team to identify risk mitigation strategy.	Ongoing				X	PM, SME	Establish recurring meeting cadences with project management, stakeholders, and governance members to identify risks and develop mitigation strategies.
RM3	Develop and maintain an independent risk management log for each project of risks identified by IV&V not identified by the Implementation, Organizational Change Management (OCM), and Training teams.	Ongoing		X	X		PM, SME	Leverage interviews of key stakeholders to identify and evaluate risks. Participation in recurring risk reviews and weekly project status meetings.



15.7.6. Provide information about what expectations your company has of the State as a part of this engagement.

Whenever possible, the IV&V Team will conduct their activities within the context of the State and Infor’s project structure. In other words, IV&V will work to avoid burdening the Project team with IV&V-specific activities. Depending on the subject being assessed, the IV&V team may need to conduct interviews and or request walkthroughs to confirm observations, clarify understanding and/or develop assessment criteria that makes the best sense for the project. When this is necessary, the IV&V team will coordinate with the schedules of the project team and other subject matter advisors to avoid any conflicts that may affect project execution.

In addition to presentation of the monthly assessment reports, ISG assumes the IV&V team will be expected to provide project leaders with ad hoc updates both requested by the Project Director and when the IV&V team needs to escalate an issue for direction or because of urgency.

ISG assumes the project will provide each full time IV&V team consultant with a dedicated workstation (desk and lockable storage) and that meeting space generally available to the project will be accessible by the IV&V team.

ISG consultants will arrive equipped with their own computer hardware and telephone. ISG assumes the State will provide internet connectivity and intranet access to a State virtual environment and any other shared digital workspaces and documents, as required.

The table below lists the roles and responsibilities of each Project constituent for key IV&V activities.

IV&V Activities	IV&V team	Project Director	Project Team	SI Vendor	ESC	State Oversight
Planning	Create	Review & Approve	Be Aware	Be Aware	Review	Be Updated
IV&V Participation at Project Site	Observation, Inquiry, Contribution	Be Updated	Provide Answers	Provide Answers	-	-
IV&V Observation	Gather Data	Manage Project	Execute Project Tasks	Execute Project Tasks	-	-
IV&V Inquiries	Confirm Facts and Provoke Critical Thinking	Cooperate	Cooperate	Cooperate	-	-
IV&V Contribute	Assess and Recommend	Consider and Manage	Consider and Execute	Collaborate with Project	Assess to Determine Response	Assess to Determine Response
IV&V Interactions Off-Site	Conduct Regular Meetings	May Accompany to Meetings	-	-	Provide Access & Maintain Dialog	Provide Access & Maintain Dialog
IV&V Deliverable Reviews	Gather and Evaluate Subjects	Provide Clarifications	Respond to Inquiries and Provide Clarifications	Respond to Inquiries and Provide Clarifications	-	-
IV&V Assessment Reports	Draft, Confirm, Distribute	Review, Respond	Review, Respond	Review, Respond	Consume and Manage Response	Consume

Table 4: Project-wide IV&V Role/Responsibility Matrix

Based on ISG's considerable expertise with statewide ERP projects, we anticipate, at a minimum, the following milestones:

Milestone 1: Confirm the IV&V Management Plan

ISG will work with project management to confirm and document the detailed description of how the IV&V team will perform the IV&V services. This will include strategies, standards, and approaches to be used for executing each of the IV&V activities.

The IV&V Management Plan will also contain an organizational structure which demonstrates, among other things, coordination activities among the IV&V team, the Project Director and project team, project sponsors, stakeholders, and any oversight entities involved in the project.

The IV&V Management Plan will describe the individualized approach for completing deliverables and resource assignments to tasks and deliverables. Finally, the IV&V Management Plan will include a description of assessment criteria for use in future assessment reports and the process for modifying assessment criteria.

Milestone 2: Implementation Planning

ISG will assist in the review of vendor planning documents and finalize assessment templates for IV&V evaluations. Typical areas of IV&V focus leading up to this milestone include, but are not limited to:

- Deliverable Review Verification Strategies
- Deliverable Expectation Documents (DED) and Acceptance Criteria
- Project Plan / Timeline and Resource Plan
- Project Strategy/ Governance
- Organizational Readiness / Change Management
- Project Success Metrics
- Scope Definition
- Issue Management and Resolution
- Risk Management
- Change Control
- Deliverable Review and Acceptance
- Status Reporting
- Roles and Responsibilities
- Meeting Effectiveness

Milestone 3: Functional/Technical Design

ISG will assess the activities and work products of the design teams. The critical task is to validate that the business processes to be implemented within Infor satisfy the requirements and design specifications. ISG will work closely with project resources, subject matter experts and vendor consultants on the following project activities:

- Business Process Design
- Automated Internal Controls
- System Integration
- Infrastructure and Security
- Data Conversion
- Reporting Strategy
- Knowledge Transfer
- Change Management

Milestone 4: ERP Configuration & Development

ISG will assess the results of configuration and development efforts by focusing on:

- Validation that the configuration is documented consistently across the project, matches the system design, and that the configured business processes provide the business results expected.
- That software development that may be required matches designs and produces results as expected.

- Unit Testing – assessment of testing plans and test scripts that individually test each set of functionality being configured. We will validate that proper documentation exists for any issues uncovered during the testing process and that resolution plans are in place to fix any configuration defects.

Milestone 5: Completion of Configuration & Development

After designs have been validated and system configuration and development are advanced to the point of being ready for broader process testing including integration / interfaces and reports, ISG IV&V activities will focus on:

- Participating in functional review sessions to validate that the system modules cover all the functionality within the project scope.
- Confirming that functionality gaps are identified, documented, and that resolution plans are created. Monitoring these resolution plans until they have satisfactorily resolved the gaps identified.
- Evaluating the data conversion processes and strategies to verify that legacy data is moved into the new application as planned. Furthermore, ISG will confirm that proper data verification strategies are in place to assess data accuracy.
- Reviewing the interface development approach to confirm that the appropriate information (e.g., data structures, file formats, interface protocols, etc.) are captured within the integration / interface documentation.
- Evaluating report development progress based on report inventory and verify that the reports created meet the requirements of the State.
- Assessing the development of the security plan for the application.
- Monitoring progress of both the knowledge transfer and organizational change management plans.
- Assessing the end-user training plan to verify that the strategy considers curriculum development, facility logistics, staffing resources, participant scheduling, and a process by which training is evaluated for effectiveness.

Milestone 6: System Testing & Training Program

ISG will assess and advise on:

- Test Plans / Test Scripts – the development of testing plans and test scripts for integration testing, payroll parallel testing, and user acceptance testing. We will confirm that proper documentation exists for any issues uncovered during the testing processes and that resolution plans are in place to fix encountered defects. Furthermore, we will validate that test scripts include appropriate testing for internal controls and appropriate segregation of duties within business processes.
- End-user Training – ISG will monitor the development of end-user training curriculum based on end-user training strategy. We will evaluate the quality of the training materials being developed to confirm course materials are thorough and that the time frames for each course are appropriate.

Milestone 7: Deployment

ISG will focus on:

- System Cutover – assessing the cutover plan to validate that all steps and processes are included for a smooth transition to the new application.

- Knowledge Transfer – assessing the level of preparedness of the Project and operational supporting staff to operate/sustain the new ERP application.
- Post Go-live Support – assessing the strategy and plans for providing application support for end users.

15.7.7. Based on your experience in providing IV&V services for similar implementations, identify key success factors and risks for an implementation of this magnitude and complexity.

While each project has unique challenges, ISG’s experience with numerous engagements reveals some issues that often arise on complex ERP system implementations. The following tables capture these risks:

Stage	Typical Risks	
Planning	<ul style="list-style-type: none"> ▪ Delayed availability of proposed or qualified consultant or client resources impacts start-up ▪ Conflicts arise between the demands of ongoing operations and the project schedule requiring plan changes 	<ul style="list-style-type: none"> ▪ Scope confirmation discussions with stakeholders reveal that some processes are unexpectedly out of scope for the project ▪ Programmatic applications thought to be in-scope for replacement cannot be due to extent of the non-ERP related functions of those applications
Design	<ul style="list-style-type: none"> ▪ Limited access to department subject matter experts to participate in design/fit-gap/conference room pilot sessions ▪ Design decision making takes longer due to required knowledge residing outside the project ▪ Lack of client-side configuration level training impacts understanding of design ▪ Limitations of consultant and client-side resources become evident requiring changes resource levels or assignments ▪ Team has insufficient knowledge of existing policies and their application ▪ Detail review of requirements reveals more gaps between software out of the box and the business needs 	<ul style="list-style-type: none"> ▪ Detail discussion of requirements and business needs reveals need for functionality unavailable in selected system ▪ Difference between client and consultant knowledge of the new system’s terminology and configuration functions cause loss of time as design requirements are explored and debated ▪ Identification of additional system candidates for replacement or for interface ▪ Design of 1st time integrations between ERP and other major enterprise systems takes longer than expected ▪ Lists of required reports, interfaces, and enhancements exceed defined scope and contingency of development hours
Development	<ul style="list-style-type: none"> ▪ Limitations of consultant and client-side resources become evident requiring changes in resource levels or assignments ▪ Progress on configuration/development of foundational aspects of design get delayed as management assesses options (e.g. level of budget control or exception vs. positive time entry) 	<ul style="list-style-type: none"> ▪ Conversion design waiting on more complete configuration and development of functional specifications ▪ Time required to complete the volume and complexity of reports, workflows, conversions, and interfaces exceeds time available to meet implementation deadline

Stage	Typical Risks	
Testing	<ul style="list-style-type: none"> ▪ Inadequacy of training for department testers to support test execution ▪ Inadequate time from departmental resources to meet testing schedule demands ▪ Delays in decisions regarding post go-live support organization staffing impact knowledge transfer to client resources ▪ New business process impacts identified and must be socialized for acceptance ▪ User acceptance testing only focuses on transaction entry as opposed to accepting a system that is designed to support a business process effectively ▪ Test script improvements required (corrections and additional scripts) 	<ul style="list-style-type: none"> ▪ Team’s interpretation of policy as designed in the system may be incorrect requiring changes ▪ Additional system roles identified that require creation and testing ▪ Internal control conflicts identified that require resolution ▪ Number of defects identified from unit, system, integration, parallel, user acceptance, and load/stress testing impacting progress ▪ Lack of detailed management of application environments impacts initiation of testing or requires retesting ▪ Schedule issues arise for 3rd party interfaces ▪ System documentation gets impacted as work focuses on completing the system
Training	<ul style="list-style-type: none"> ▪ Delays in obtaining complete end-user to role assignments from departments ▪ Client functional leads over stretched to cover demands of supporting instructor-led training along with remaining development and testing activities ▪ Updates to policies or procedure documents required to support newly designed system 	<ul style="list-style-type: none"> ▪ Schedule issues for 3rd party interfaces ▪ Delay in training content development due to remaining configuration & development items ▪ Identification of new business process impacts – especially for departments
Implementation & Beyond	<ul style="list-style-type: none"> ▪ Cutover process not fully tested - disruptions during cutover cause delayed launch of operations ▪ Data conversion gaps inhibit processing of transactions ▪ Productivity dip demands more resources to maintain service levels ▪ Lack of user readiness for system and processes extends productivity dip - need to re-train users 	<ul style="list-style-type: none"> ▪ New or better reports/queries needed quickly to support management of processes ▪ Form configuration and/or workflow improvements needed for usability ▪ Changes to assigned security roles needed quickly ▪ Transaction bottlenecks in the system reveal communication and activity coordination challenges between department users and central functions

Stage	Success Factors	
Planning	<ul style="list-style-type: none"> ▪ Assess the current situation, its processes, technology, and identify its pros and cons. These will help shape some of the goals and objectives for the project. ▪ Explore the marketplace of ERP products to learn about potential solutions and important differentiators. ▪ Develop a vision, along with a set of guiding principles for the project, of the desired future of specific processes and technology and express the details from the outset of procurement. ▪ Evaluate the SI team, their experience, level of expertise, and collegiality in person. This will help to avoid a junior team relying on one or few seasoned implementation consultants. 	<ul style="list-style-type: none"> ▪ Simplify the plan and communications of the plan to make the information understandable and actionable. ▪ Executive Sponsorship that is engaged, interested, supportive, and willing to champion the project through difficult times. ▪ Select, assign, and dedicate team members who know their subjects, are cooperative, and want to achieve change. ▪ Keep a Brisk Pace – do not rush the project to the point of risking quality, but do set aggressive deadlines, meaningful milestones, and get project tasks done as quickly as possible. Elongated schedules introduce and exacerbate project risks. ▪ Ensure that the SI partner selected shares your interest and criteria for success.
Design	<ul style="list-style-type: none"> ▪ Openness to change. The tier 1 ERP competitors have evolved to offer solutions to business processing that are in government operations throughout the country and can be readily adopted in most cases. ▪ The vision of how processes will work, established early and informed through research, by preparing as described above, will help to establish a foundation. This will help to avoid confusion and analysis-paralysis and should expedite the work of design. ▪ Simplify wherever possible. This will make it a more efficient system to implement, to explain to users, and to maintain. 	<ul style="list-style-type: none"> ▪ Design and communicate the new chart of accounts early in the process. Inform the stakeholders throughout the enterprise that the data will be changing in its form and values and ancillary, interfaces, systems, and reports will need to be adapted. ▪ Require functional teams to collaborate cross-functionally on designs to increase awareness and understanding of integrated processes. ▪ Develop a cross-functional glossary and require teams to review and update it. This will help avoid the same term having different meanings as teams focus on their respective functions.
Development	<ul style="list-style-type: none"> ▪ Make data conversion activities an area of focus with dedicated resources from the outset. This will prevent unwelcome surprises that can cause rework, delays, and risks to quality. ▪ Adopt an Agile approach to configuration and development. This should produce results quicker and provide management with insights to potential issues earlier. 	<ul style="list-style-type: none"> ▪ Do not attempt to replicate all existing reports. Focus on the top priorities where the legacy report(s) must be produced. Understand and leverage the multiple new ways users can readily obtain the information they need via “drill down” functions and query capabilities. This will avoid wasted effort and the potential for a massive backlog in report development.

Stage	Success Factors	
Testing	<ul style="list-style-type: none"> Dedicate resources with subject matter knowledge full time to test planning, design, and execution. This should ensure comprehensive testing and also preserve functional team resources to focus on higher order testing. 	<ul style="list-style-type: none"> Use cross-functional collaboration to organize tests that exercise the end-to-end business processes.
Training	<ul style="list-style-type: none"> Use a multi-channel approach to training. Include instructor-led classroom training, self-directed online video training, and provide a robust online “sandbox” environment that includes data refreshes for users to explore and reinforce their training. Apply functional expertise to training development activities to ensure accuracy but also to invoke context into the materials to help users understand how the screens, fields, and data fit into the business and policy context. 	<ul style="list-style-type: none"> Maintain a training support team for a period following implementation to support remedial training and to serve as a contingency site where departments that struggle to get business done can go for guided execution.
Implementation & Beyond	<ul style="list-style-type: none"> Assign a cutover manager well before the time of implementation to develop and share the plan, organize mock cutover(s), and serve as a single point of control during cutover. Designating project team members or other employees to work in the post-implementation sustainment (i.e., support) organization prior to system or user acceptance testing. Performing related support roles during integration testing and user acceptance testing can prepare those individuals for the rigors of supporting a new application upon go-live. 	<ul style="list-style-type: none"> Carefully review SLAs and KPIs to not only hold vendor accountable to agreed-upon terms and conditions of the hosted solution, but to also hold state personnel accountable in using each module to its full potential. Adopt a continuous change/continuous mindset to begin preparing for the iterative delivery of the new Cloud/SaaS system. Explore automated testing tool for tasks such as regression testing to reduce strain on staff when accepting multiple code changes a year.

Table 5: Key success factors and risks for an implementation

15.7.8. Explain in detail how the IV&V team would engage with the State and Infor’s implementation team. Specify if the IV&V team is going to be full time participating in the day-to-day activities of the ERP implementation or if they would be engaged periodically at certain stages of the implementation project.

As illustrated below, the ISG IV&V team will engage with all participants and levels of the State’s project organization structure including SI resources. As the IV&V engagement manager, an ISG Partner will provide senior-level guidance to the ISG project team and executive accountability to the State.

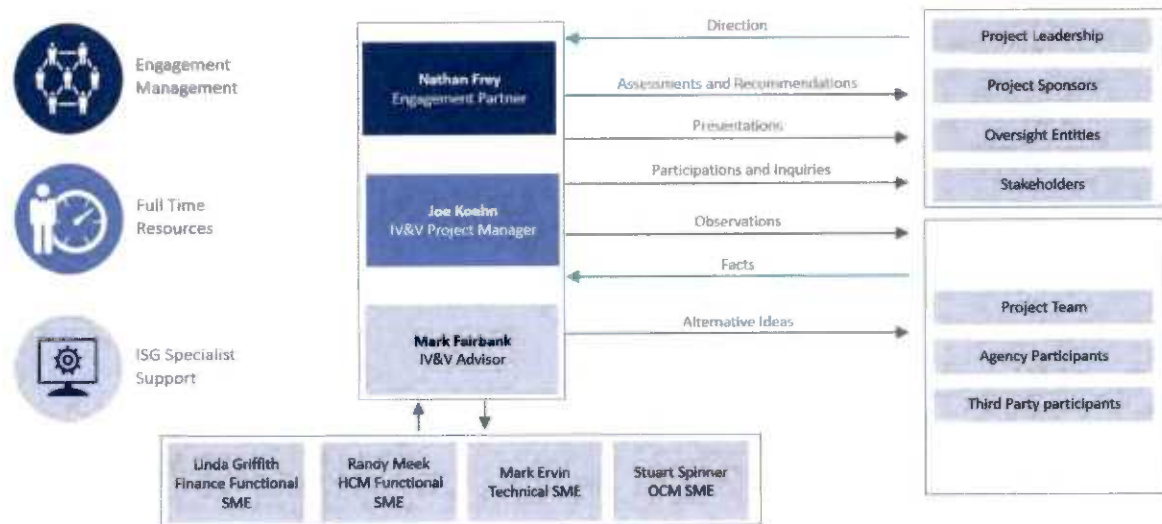


Figure 11: Team Organizational Chart

The engagement partner will have overall responsibility for the IV&V project management plan, assignment of tasks, supervision of staff, and quality of services and work products. The project manager will be responsible for day-to-day IV&V operations and coordination of all IV&V activities with ISG specialists. The ISG project manager will also conduct and execute IV&V activities. The team will work closely with project management from the State and Infor to ensure that IV&V services are delivered proactively, timely, and with the level of quality that satisfies expectations.

ISG resources will be engaged full-time in the day-to-day activities of the project. We will apply our resources to prioritize participation in project meetings and activities in a way to provide coverage of topics and matters of strategic project importance based on our team members' IV&V role and domain expertise. Likewise, determination of on-site versus remote participation will be based upon the nature and timing of the activity involved (e.g., on-site presence during business process review and testing). The assignment of ISG resources is summarized in Table 7: IV&V Team Roles and Responsibilities.

ISG will also assign a part-time IV&V Advisor who will serve as a senior conduit to any other ISG expert resources the IV&V team consulting team may want to enlist. The ISG IV&V team may draw support from various ISG practices including those specializing in:

- Government ERP Implementations
- Cloud Infrastructure and Networks
- Process Automation
- Cybersecurity
- Training
- Organizational Change Management

ISG consultants will interact professionally with client and SI vendor project team members, stakeholders, and third parties at all levels in the organization. Specifically, ISG will work with the project director and project team, the project sponsors, stakeholders, and any oversight entities involved in the project throughout the delivery of our IV&V services.

ISG consultants will maintain confidentiality of sensitive IV&V information and use discretion when making observations. ISG consultants will work with project leadership to manage communications.

ISG consultants will be proactive and strive to organize IV&V activities in a manner to avoid interruptions and inordinate demands on project resources.

The ISG IV&V team will collaborate with each other to produce work products that deliver the value and benefits of shared perspectives and combined efforts. The ISG team will meet regularly to coordinate activities and manage the development and quality of work products. The IV&V team will work with the State Project Director to identify the points of contact for delivery of IV&V assessments and other written communications as described in Table 6: IV&V Communication Types and Channels.

Guidelines for Interactions

- The IV&V team will engage with Project participants at all levels of the Project organization.
- IV&V team members will interact professionally with State and SI vendor project team members, stakeholders, oversight entities, and third parties. IV&V will be proactive and work to prevent IV&V activities imposing inordinate demands on project resources.
- The IV&V team will establish regular communications with State oversight entities and be responsive to ad hoc requests for attendance and information. As a matter of courtesy, the IV&V Project Manager will inform the Project Director of such ad hoc requests, as they occur.
- The IV&V team will exercise prudence when interactions involve sensitive IV&V information and use discretion when making observations. The IV&V team will work with the Project Director to coordinate communications.

15.8. IV&V Case Studies (5 pages Max):

15.8.1. Case Studies:

Three (3) relevant case studies providing IV&V services for ERP implementations with at least one (1) for a US State, County or City. Provide project information including scope, schedule, year of service etc., and whether each project was completed according to its original timeline, specifics regarding project timeline extensions and cost increases.

State of Idaho – IV&V services for Infor CloudSuite ERP implementation 2019-Present

The State of Idaho engaged ISG to provide advisory services in support of the strategic replacement of the State’s enterprise-wide budget, finance, procurement, human resources, and payroll applications, many of which were 30+ years old. Prior to the Infor implementation, ISG produced the statewide ERP business case, documented requirements, develop RFPs, and led the selection processes that covered: Software – CGI, Oracle Cloud, Workday, and Infor; Services – Accenture, Deloitte, and CherryRoad.

During the implementation phase of the project, ISG has had unrestricted access to engage in IV&V activities to monitor and report on status, risks, issues, project management, and quality assurance concerns and recommendations. A representative list of IV&V activities is presented below.

IV&V Activities

- Participation in project meetings ranging from Governance Board, executive sponsor, and project management meetings. We also participated in recurring and ad hoc project functional and technical meetings relating to design, configuration, deployment, and testing;
- Review deliverable expectation documents, in-progress deliverables, and pre-acceptance final deliverables, offering advice for revisions or approvals;
- Monitoring project timelines and progress toward milestones (including submission of deliverables);
- Independent assessment of risk reporting and risk/issue mitigation activities;
- Critical review of go-live deployment options and replanning efforts;
- Contract review and negotiation support for General Counsel regarding contract issues and proposed change orders; and
- Review of organizational change management, agency readiness, and training plans and approaches.

Project Timeline and Status

- The State of Idaho went live on July 1, 2023, with all functionality in all agencies.
- The project did extend the Finance/Procurement go-live by approximately 18 months due, in part, to the COVID-19 pandemic, additional functionality needed from Infor, and resource constraints in agencies to support interface and conversion development.
- The State has not needed to request additional funding for the implementation or IV&V services, as the timeline for the project (inclusive of project support through December 2023) is still aligned with the State’s original 4-year deployment/sustainment plan.

State of Missouri – IV&V Services for Oracle Cloud Implementation 2022-Present

ISG assisted the State of Missouri in acquiring a statewide financial, procurement and human resources ERP system (Oracle Cloud with Accenture providing system integration services). After supporting the software and integration services selections, ISG transitioned into the IV&V role for the duration of the implementation phase. ISG responsibilities include the following:

IV&V Activities

- Provide overall project guidance and feedback;
- Monitor ERP vendor progress against project work plans and milestones, security plans, and change management plans;
- Review and provide feedback on the testing plan and test results to ensure the software meets the objectives of the State;
- Assess training activities, including the establishment of a training schedule and curriculum;
- Review periodic risk/issue assessments and ongoing risk/issue management;
- Submit semi-monthly IV&V assessment reports as well as semi-monthly activity reports to the State;
- Execute deliverable reviews against acceptance criteria / Deliverable Expectation Documents;
- Observe quality of regular working sessions among Client and System Integrator;
- Attend and participate in weekly project management status meetings; and
- Escalate emerging issues threatening the project.

Project Timeline and Status

- The Missouri implementation began in August 2022. The initial focus is Budget and Finance with a “pilot” go-live for Budget in August 2023. Finance/Procurement functionality is scheduled for go-live in July 2024 (along with Budget for all agencies), with HR/Payroll to follow in January 2026.
- ISG is in year two of a three-year engagement to provide IV&V services.
- Initial “lessons learned” included the need to align and reconcile project planning expectations for the extent of detailed project planning (e.g., MS Project), resource loaded and balanced plans, etc. ISG has made recommendations to provide the necessary level of precision in planning without becoming overly burdensome on Accenture.
- To date, the project is proceeding on time and on budget.

State of Rhode Island – IV&V Services for Workday ERP Implementation 2023-Present

In 2022, the State of Rhode Island Department of Administration selected ISG to provide IV&V services for Accenture’s implementation of Workday. The project will replace the legacy HR/Payroll, Finance, and Procurement systems with Workday’s ERP system. By major project phase, ISG responsibilities include the following:

IV&V Activities

Project Management

- Validate that the project is following industry standards.
- Provide overall project guidance and feedback.
- Monitor ERP vendor progress against project work plans and milestones, security plans, and change management plans.
- Review periodic risk/issue assessments and ongoing risk/issue management.
- Submit monthly IV&V assessment report to the State.
- Execute deliverable reviews against acceptance criteria / Deliverable Expectation Doc.

Design

- Validate that requirements accurately capture stakeholders' needs and expectations.
- Confirm that design decisions align with project objectives and requirements.

Build

- Verify that configuration management practices are followed to track changes to project artifacts.
- Ensure proper version control and traceability of project components.
- Validate that interfaces between system components or different systems are well-defined, thoroughly tested, and functioning correctly.

Test, Train and Deploy

- Review and provide feedback on the testing plan and test results to ensure the software meets the objectives of the State.
- Verify that test cases cover requirements comprehensively and that testing results are accurate.
- Verify that the solution meets the requirements.
- Review project documentation, including user manuals, technical specifications, and design documents, for accuracy and completeness.
- Assess training activities, including the establishment of a training schedule and curriculum.

Go-live

- Ensure documentation reflects the current state of the project and supports end users appropriately.

Project Timeline and Status

- ISG IV&V services began concurrent with the Rhode Island implementation kick-off in January 2023. We are engaged for the 36-month duration of the project. Phase 1 is the implementation of HR/Payroll/Time functionality slated to go-live January 2025. Finance/Procurement functionality follows in July 2026.
- The project began with a common “business process alignment” activity spanning the first 3-4 month of the project for all functional domains. In these early stages, ISG contributed to the organization of PMO and governance processes and made recommendations to streamline meetings and better leverage limited State resources.
- To date, the project is proceeding on time and on budget.

State of Florida – IV&V Services for Oracle ERP Implementation 2018-2021

In 2015, the State of Florida began the “Florida PALM” project to acquire and implement an ERP system to replace their aging mainframe accounting system. ISG supported business process standardization, requirements and RFP development, and evaluation activities that resulting in the State’s choice of Oracle Peoplesoft Financials and Payroll solution (hosted on Oracle’s cloud infrastructure) with Accenture as systems integrator.

ISG was selected as the project’s IV&V provider prior to the implementation project start. The IV&V team was dedicated full time and included project manager/functional specialist, technical specialist, and an OCM specialist.

IV&V Activities

- Observation and participation in project meetings across multiple workstreams: functional workstream included budget, accounting, accounts payable, accounts receivable, assets management, grants accounting, project accounting, treasury and cash management, and payroll; technical workstream included data conversion, configuration, development of interfaces and application extensions, reports, cloud infrastructure, and security; OCM workstream included communications, agency readiness, and training.
- Review of project plans, staff experience/qualifications, timelines, and resource constraints, including staffing levels for both the State and Accenture.
- Evaluation and assessment of project deliverables and other work products.
- Production of periodic IV&V assessment reports, including deliverable assessments, project health assessments, select focused assessments of organizational performance, scoring analyses, recommendations, and presentation materials to sponsors, and steering committee.

Project Timeline and Status

- ISG IV&V services began with the start of the implementation project in July 2018. The project had a planned timeline of 8 years, including phased rollouts by function and organization.
- The scope of the first phase was to implement State Treasury functions of Cash Management and Investment Accounting with supporting functionality in General Ledger, Budget, and Accounts Receivable in July of 2021. The State was successful in reaching that objective.
- However, due to complications with the original plan of phasing the implementation both by function (Treasury/Finance/Payroll) and by organizations (subsets of agencies) with a planned duration of 8 years, the project did encounter pitfalls in areas of OCM and legislative support.
- When ISG concluded our IV&V engagement, the project entered a period of replanning to reevaluate the scope and timeline of the implementation plan.



15.8.2. Client References (2 pages Max):

Vendors to provide a minimum of three (3) Client references out of which one (1) must be a for a US State, County or City where the Vendor has provided IV&V services for a similar implementation; please include client names, reference name, title, email, phone numbers, dates of service and scope of service(s) provided. The reference calls and scoring will be conducted during Phase 3 of the evaluation process.

State of Idaho	
Contact Name and Title	Joshua Whitworth, Chief Deputy State Controller
Email	JWhitworth@sco.idaho.gov
Telephone	(208) 334-3100 Option 0
Date of Service	September 2014 – Present
Scope of Service (s) provided	IV&V and quality assurance services for statewide ERP implementation of Infor CloudSuite as led by Deloitte Consulting. ISG is providing IV&V services across the full-suite implementation program for Budget, Finance, Procurement, Human Resources, and Payroll. We work closely with Josh Whitworth, project sponsor, to review deliverables, assess effectiveness of project activities, provide feedback on risks/issues, and offer recommendations for improvement.

State of Missouri	
Contact Name and Title	Stacy Neal, Director of Accounting
Email	Stacy.Neal@oa.mo.gov
Telephone	(573) 751-4013
Date of Service	May 2019 – Present
Scope of Service (s) provided	ISG is providing IV&V services over the implementation of Oracle Cloud EPM (budget development), ERP (core financials), ERP Manufacturing, ERP Learning Management, and ERP HR/Payroll. Accenture is the State’s systems integrator. We are currently in our second year of providing IV&V services to the State.

State of Rhode Island	
Contact Name and Title	Alan Dias, Chief of Enterprise Applications
Email	Alan.Dias@dolt.RI.gov
Telephone	(401) 222-6091
Date of Service	January 2023 – Present
Scope of Service (s) provided	The State of Rhode Island Department of Administration selected ISG to provide IV&V services over the life of their statewide Workday ERP implementation project. The project scope includes Workday HR, Payroll, Time Administration, Finance, and Procurement to be implemented over a 36-month period. Accenture is the State’s systems integrator.



15.8.3. What are three of your company's past clients that used you for IV&V of an ERP Implementation?

State of Florida	
Client size (total eligible employees)	\$97.8 billion state budget 167,000 employees
Number of employees	167,000
Services provided	Originally, Florida engaged ISG to support the State's business process standardization efforts for finance and accounting functions. ISG documented "to be" business processes and developed requirements for acquisition of a statewide ERP system. ISG also assisted in development of the ERP software and services RFP and the evaluation process. During implementation of the Florida PALM (PeopleSoft ERP) system, ISG was chose to be the IV&V service provider for the first three years of the project.
Tenure as client	6.5 years
Name and telephone number	Rachel Lieblick (850) 413-4627

State of Michigan	
Client size (total eligible employees)	\$61.4 billion state budget 102,000 employees
Number of employees	102,000
Services provided	Michigan engaged ISG to provide advisory services to support replacement of the State's enterprise-wide financial and time collection systems. ISG supported the business case analysis, developed requirements, drafted the RFP and supported the evaluation and contract negotiation processes. During implementation, ISG provided project oversight, quality assurance, and project management services.
Tenure as client	5.5 years
Name and telephone number	Ruth Schwartz (517) 284-7585

State of Mississippi	
Client size (total eligible employees)	\$19.4 billion state budget 38,000 employees
Number of employees	38,000
Services provided	In February 2008, Mississippi selected ISG to develop an ERP business case, support the development of business requirements, and develop an RFP to select a new Statewide ERP system. The State selected SAP and engaged ISG to provide IV&V services during the implementation. After the finance/procurement go-live, ISG provided additional functional, technical, and training resources. ISG continues to support the State's rollout of SAP SuccessFactors for HR/Payroll functionality.
Tenure as client	15 years (current client)
Name and telephone number	Becky Thompson (601) 408-7805

15.9. Quality Assurance and Auditing (2 pages Max)

- 15.9.1. As the winning bidder will be monitoring the Infor Global Consulting team, it will be important to monitor the end-to-end processes, the performance of the operations and the overall results of the project plan and apply lessons learned toward continual improvement.

As described earlier in our proposal, ISG will engage with project participants at all levels of the project organizational hierarchy to perform our services. The ISG Project Manager will work with Project Leadership to establish regular meetings to discuss overall IV&V status. ISG will provide periodic reviews of “lessons learned” throughout the IV&V engagement, such that earlier issues can be avoided moving forward, and any resulting project improvements can benefit later project activities. For the Final Report, we will summarize key lessons learned in our Project Closeout report as a knowledge transfer mechanism to benefit other State projects.

- 15.9.1.1. Please describe your organization’s program for quality assurance, and how your best practices and internal controls will be applied to the Plan for:

Quality assurance activities are at the heart of most IV&V functions and assessments that we propose to deliver as the State’s IV&V provider. We have previously described our iterative assessments across the fifteen project areas. Health assessments based upon those 15 areas (combined with specific deliverable reviews) will naturally address the application of best practices applicable to the items below. However, we have provided a summary below of the ways our approach and methodology address each item requested in the State’s RFP.

a. Audits, both claim and fiscal;

One of the primary tasks we perform in IV&V engagements is quality assurance reviews of work products and deliverables. These reviews focus on ensuring that each deliverable meets the needs of the project. Our review of all project deliverables will ensure contract compliance, verify that the deliverable is complete and consistent with the scope of work and functionality documented in the contract, includes acceptable content and meets the State’s quality standards. This work is supported by IV&V review and collaboration with the State and Infor project teams through the creation of deliverable expectation documents (DEDs). DEDs are used to establish the purpose, outline of contents and general expectations regarding format, participation, timeline, and acceptance criteria for each deliverable. The DEDs provide the IV&V team with a baseline against which to measure quality and completeness when Infor submits a deliverable for review and acceptance. Based upon agreed-upon project procedures, ISG can serve in the review and approval chains for acceptance of deliverables and associated concurrence of claims for payment. However, State project leadership and fiscal management will hold ultimate responsibility for distribution of State funds in accordance with statutory and budgetary requirements.

b. Performance standards;

ISG will consider performance standards that are contractual, included in the Infor project management plan, or general industry recognized best practices as noted in our assessment of the 15 project management areas. Common standards include review of deliverable dates, service level agreements, and project management standards evaluated in bi-weekly and monthly executive health assessments. We will validate the practices and methods used to manage and execute the project and evaluate their effectiveness and efficiency. We will also consider project life cycle processes (e.g., planning, design, testing) to ensure compliance with regulatory, performance, schedule, and budget requirements.

c. Issue identification and reporting such issues to the Plan;

As described in our proposal, ISG seeks to leverage existing project management processes and tools (e.g., project RAID log) for identification and reporting of risks, issues, and other observations regarding quality. This includes participation in weekly project management meetings, status meetings, team lead meetings or other project activities where ISG could offer real-time feedback for potential course correction before a concern turns into an issue. Our detailed scoring tool applies 94 standardized criteria across the 15 project management areas that brings quantitative rigor and consistency into the creation of our health assessment reports that are the culmination of our daily, weekly, and monthly reviews and observations. Any critical or time-sensitive risks will be communicated verbally to appropriate State personnel and followed by ad hoc written documentation if requested by the State.

d. Supervisory and management reviews to train staff for future resolution;

ISG's engagement partner and project manager will be highly engaged in development of our IV&V management plan and in the assignment of responsibilities throughout the project. As our team reviews deliverables, participates in project meetings, and observes activities, the ISG partner and manager will be receiving contemporaneous feedback about observations, risks, and issues for inclusion in the bi-weekly health assessments. During the project, certain challenges may be encountered (e.g., software gaps) that require a workaround. Because our proposed team members are veterans of statewide ERP engagements, we can individually and collectively draw upon lessons learned in prior engagements to highlight issues with proposed workarounds that may unduly impact user workload or increase risk of other unacceptable outcomes. Such items should be highlighted in the "decisions" or "action items" portion of the RAID log and be monitored for potential impacts or to be addressed post-go-live. Workarounds should be noted for inclusion in process documentation and training materials and monitored for revision if the workaround can be eliminated through process change, improved functionality, or other means.

e. Documented work processes for improvement over time.

ISG's IV&V project management plan and work plan will be influenced by our previous multiple statewide, SaaS/Cloud ERP projects described in our proposal. We have observed best practices (what works) and project challenges (what doesn't work) over our 20+ years of providing comparable services. Our project team has worked together in Idaho and other IV&V projects where we have shared experiences that will help us identify opportunities for process improvement, both during the project and in the post-go-live period. Deviations from industry standards or challenges that could significantly limit achievement of project objectives and any related IV&V recommendations will be noted in our periodic health assessments, as applicable.

f. Will your company engage an independent auditor to evaluate internal controls?

Our IV&V plan does not include engagement of an independent auditor to evaluate internal controls. In our observation of ERP implementation projects, internal controls are typically considered in business process design and the creation and assignment of security roles in the ERP system. These controls tend to focus on logical segregation of duties and limiting access to only those system functions necessary for the end user's assigned role. Additionally, access to organization-specific data would be limited to the end user's agency or within an assigned span of control for centralized business functions. ISG's team members are familiar with this level of control application within ERP systems and can provide feedback if internal controls are not reasonably considered during design and implementation. Should the State desire additional focus on internal controls, we would suggest reviews by internal auditors or the State's external auditors as a means to validate that the control framework will meet the expectations of those parties most likely to evaluate the project's internal controls after the implementation.



0. Data and Reporting (2 pages Max)

15.10.1. The winning bidder must provide reporting to DAS and the New Hampshire Department of Information Technology (DoIT) for the overall project plan. As the plan is in its early stages of development, and the full scope of reporting requirements will likely evolve over time, the winning bidder is expected to be flexible and to adapt its workplan to as the overall project workplan evolves.

ISG acknowledges that the State’s project plan with Infor is in its early stages and will evolve as the project enters the “Inception” phase of Infor’s implementation methodology. During creation of the IV&V management plan, ISG will work with DAS, DoIT, and State leadership to confirm reporting needs for the monthly and bi-weekly health assessment reports and any summaries to be made available to the Governor.

15.10.2. DAS and DoIT anticipate receiving the following types of reports to monitor the Plan’s performance and ultimately produce summary reports on an ongoing basis that will be made available to the Governor. Please describe your capability to provide this anticipated data and how you will produce on demand reports and information, such as through a portal or a dashboard.

ISG’s reporting approach assumes continuous engagement across all levels of the project hierarchy and thus the flexibility to escalate risks, issues, and other project concerns in relation to the urgency of the matter. We will produce bi-weekly and monthly IV&V assessment reports to provide information on project performance, risk/issue management, and quality assessments of key project deliverables. The monthly reports begin with an executive summary and dashboard to quickly communicate the IV&V assessment rating for each of the fifteen project areas.

The monthly assessment reports will be delivered simultaneously to a prescribed list of Project Leadership, governance entities, oversight entities, and other stakeholder by a pre-established business day deadline.

The primary deliverable will be the monthly IV&V assessment reports, which are the culmination of:

- Deliverable reviews against acceptance criteria / and deliverable expectation documents.
- Quality observations of regular working sessions among State and SI.
- Weekly attendance and participation in project status reports to leadership.
- Proactive contribution and monitoring of the RAID log.
- Immediate escalation of emerging issues threatening the project.

Beyond our active engagement in meetings and project activities, our primary communication types and channels are summarized in the following table.

Type	Purpose	Format	Distribution
Ad Hoc Communications (daily or weekly)	To coordinate IV&V activities with the project team.	Email (with Microsoft Word, Excel and/or PowerPoint, if necessary)	<ul style="list-style-type: none"> • Project Director • Project Manager • Project Team
Interim Report on Issues/Risks (as needed)	Used to describe situations that pose a potential or actual negative impact to quality of deliverable and/or project performance.	PowerPoint and/or Project SharePoint (or other project collaboration tool)	<ul style="list-style-type: none"> • Project Director • Project Manager • Project Team • Others, as appropriate
Bi-Weekly Health Assessment Reports	Interim, bi-weekly reporting of IV&V health assessment activities conducted by the IV&V team. Provide additional details regarding weekly activities and interim observations of the IV&V team.	Microsoft Word	<ul style="list-style-type: none"> • Project Director • Executive Steering Committee • Others, as requested
Monthly Executive Health Assessment Report	Cumulative, monthly assessment of project performance against evaluation criteria to include regular project performance topic, areas, deliverables subjects evaluated for the reporting	Microsoft Word	<ul style="list-style-type: none"> • Project Director • Executive Steering Committee • Executive Sponsors

Type	Purpose	Format	Distribution
	period and any project risks/issues assessed for the period.		<ul style="list-style-type: none"> State Oversight Entities

Table 6: Communication Types and Channels

Monthly Executive Health Assessment Reports

The monthly executive health assessment reports will focus on answering key questions about quality. For example, we use project performance questions drawn from the practice areas as defined by the PMBOK and industry best practices.

The proposed IV&V Monthly Project Assessment Report will be formatted in two parts. ISG expects to work with the State to refine this format during the production of the IV&V Management Plan.

1. The first section contains an executive summary and presents a dashboard summarizing project status in a range of project focus and activity areas using a rating scale to indicate severity and/or urgency of findings. This section will provide highlights regarding project budget, project schedule and important findings from our assessment.
2. The second section contains updates on individual subjects/deliverables validated and verified and details on any suboptimal findings for the reporting period. Among the items included in this section are: major accomplishments achieved or planned; documents, work products, or deliverables reviewed; scope/schedule status; high priority risks, issues, actions, decisions; findings of deficiencies / recommendations for remediation; and general quality concerns.

Bi-Weekly Health Assessments

The bi-weekly health assessments will provide a more current and detailed summary of the recurring IV&V activities. These reports will provide the detailed foundations for the Monthly Executive Health Assessments. Example contents will include:

- A rolling schedule of planned/completed reviews of deliverable expectation documents or completed deliverables.
- Meeting logs of weekly meeting attendance, participation, and key meeting notes or action items worthy of communications regarding quality or work progress with the State and SI participants.
- Observations regarding project management processes and status reporting from weekly PMO or other governance meetings.
- Interim updates to the RAID log or notation of emerging items for consideration.
- Other matters worthy of escalation prior to release of the monthly executive report.

On-Demand Reports and Information

Continuous engagement of the IV&V team will enable ISG to respond to on-demand or ad hoc information requests in a timely manner. As described in Section 15.11.1.4, Table 6: IV&V Communication Types and Channels, we can provide real-time feedback via meeting participation and engagement with the Project Director and project team. We will also provide interim verbal or written communications on topics requested by project leadership or matters that demand attention between the monthly IV&V reports.

Additionally, we leverage the tools used by the project to monitor and report feedback as appropriate. This could include MS Project, SharePoint, requirements traceability tools, RAID logs, etc. See an example of our project dashboard in Figure 4: IV&V Summary Dashboard.

15.11. Implementation (2 pages Max)

15.11.1. Given the tight timeframe involved to complete business reorganization and upgrade to the latest Infor Cloud SaaS system, strong oversight is required for this implementation armed with organization tools and backed with sufficient resourcing.

15.11.1.1. Describe your company’s implementation approach for oversight and attach a detailed, task-oriented plan with milestones.

ISG is proposing an established approach and project team that has recently completed IV&V services over a full-scope, big-bang implementation of Infor CloudSuite for the State of Idaho. The remainder of our response to section 15.11 will substantiate our experience, tools (i.e., methodology and approach), and resourcing to oversee the reorganization and upgrade within the State’s timeframe. ISG’s response to RFP Section 15.6 provides extensive descriptions of our approach for organizing our IV&V activities and the methods for interaction with the State and Infor project teams. Our detailed, task-oriented project plan (and related milestones) are included in Exhibit #4.

15.11.1.2. Describe the implementation team that will be assigned to the Plan, including the roles and responsibilities and the individuals involved.

Staff Name & Project Role	Max FTE Asgmt.	Duties and Focus Areas
Nathan Frey Engagement Partner	50%	Plans, directs, and oversees the engagement; ensures that outcomes and deliverables are achieved as specified in the RFP for IV&V services.
Joe Koehn Project Manager	50%	Responsible for day-to-day IV&V engagement activities; directs the creation of IV&V deliverables throughout the duration of the engagement.
Mark Fairbank State IV&V Advisor	5%	Provides advice and counsel to the IV&V project team based on Mark’s prior role as an employee with the Department of Administrative Services and his work with the State’s Phase 2 implementation of Infor HR/payroll.
Linda Griffith FSM Functional SME	50%	Supports the IV&V PM in the development of engagement deliverables and work products with a focus on Financial and Supply Chain functionality.
Randy Meek HCM Functional SME	40%	Supports the IV&V PM in the development of engagement deliverables and work products with a focus on Human Resources, Workforce Management, and Payroll.
Mark Ervin Technical SME	25%	Supports the assessment of technology strategies and deliverables applicable to integrations, interfaces, conversions, workflow, security, and reports.
Stuart Spinner OCM SME	15%	Supports the assessment of OCM deliverables and execution of OCM task by State and Infor team members; reviews result of organizational alignment and change readiness. Additionally, reviews training plans, training materials, and training delivery in relation to industry standards and adult learning concepts.

Table 7: IV&V Team Roles and Responsibilities

Max FTE Assignments represent levels of project participation over the life of the project. As describe in our staffing descriptions, the ISG team members can cover multiple disciplines in our IV&V services. For example, team members Nathan Frey, Joe Koehn, and Linda Griffith have covered FSM, HCM, Technical, and OCM topics during their diverse ERP projects and IV&V experiences.

15.11.1.3. Explain how the project and relationship will be managed, including what roles and associated skills you will need from the Plan and its consultant to successfully work with your team.

Core IV&V services are based on observation and analysis. As such, for the work to be informed and insightful, the assessment activities undertaken by the IV&V should place minimal demands on project team resources, project leadership, state subject matter advisors and implementation vendors. Most information gathered and evaluated by the IV&V team will come from firsthand participation and observations made during the normal course of project activities and from examination of results. For

additional details, please see our response to Section 15.7.6 and Table 4: Project-wide IV&V Role/Responsibility Matrix.

- 15.11.1.4. How will you regularly communicate and coordinate with the Plan’s team during the implementation process?

ISG’s IV&V approach relies upon frequent and proactive communications to coordinate our IV&V observation and feedback loop with the implementation activities of the State and Infor project teams. Participation in project management, selected functional and technical meetings, and governance processes set the stage for timely identification of developing risks or issues and consistent data gathering for the bi-weekly and monthly IV&V assessment reports.

As shown in Table 6: IV&V Communication Types and Channels, regular communications are accomplished through ad hoc daily or weekly communications occurring as we engage with the project teams and the project management office. For observed risks or issues that require immediate attention, ISG will raise awareness to appropriate levels of the project leadership or governance organization. Finally, the bi-weekly and monthly IV&V assessment reports provide recurring checkpoints for measurement of project status and formal communication to project governance and executive sponsors.

ISG will work with project leadership to establish routine meetings to discuss overall IV&V status, results of IV&V analyses (e.g., issues and risks), status of project schedule and deliverables, and resolution of IV&V findings.

- 15.11.1.4.1. How will implementation issues be identified, addressed, and escalated?

ISG’s model of continuous engagements across all levels of the ERP implementation allows timely identification of tactical issues (e.g., functional, technical, or OCM concerns) and strategic issues (e.g., governance, political, organizational alignment). As we identify subjects for our IV&V examination, we will highlight activities and circumstances that represent risks to project success. Our resources will identify concerns that point to risks or issues based upon our experience from previous ERP projects. Typically, systems integrators maintain a RAID log to document risks, identify mitigation strategies, and communicate those concerns and any necessary remedial actions to the project governance, sponsors, and key stakeholders. Rather than create a separate process and tracking method for risk and issues, ISG will leverage the project management processes established by the State and Infor to manage risks and issues.

- 15.11.1.5. What project management tools will you use to manage the implementation timeline and keep all parties on track and informed?

The primary tools used by ISG to track progress, monitor timelines, and communicate status to the State and Infor will be the monthly IV&V Assessment Reports. Our assessment reports provide a periodic overview of all aspects of the project (e.g., from the IV&V “dashboard”) that includes the status of key project activities, risks, issues, budget, scope or timeline concerns, and deliverables reviews from a quality and timeliness perspective. Beyond our specific assessment tool, dashboard, and reporting template, ISG makes every effort to leverage the standard software and collaboration tools adopted by the State’s project (e.g., Microsoft SharePoint, Word, Excel, PowerPoint, Project). By participating in use of the foundational project tools, we create a “single source of truth” that improves consistency of alignment and messaging on status, risks, and issues across the project.



15.12. Performance Guarantees (include table)

15.12.1.1. The table below identifies a set of performance guarantees that shall be the basis of performance responsibilities for any resulting contract.

15.12.1.2. Bidders are encouraged to add others that demonstrate their ability to monitor the success of the program. Bidders are also encouraged to place a material amount at risk per contract year.

15.12.1.2.1. Bidders that increase fees at risk or offer additional value-added performance measurements with percentages may be awarded up to 3 points as a component of the technical score identified herein.

15.12.1.3. Performance guarantee metrics are to be self-reported. All guarantees shall be measured monthly and quarterly on a calendar year basis. Any penalties due to the State shall be remitted on a separate check, and not as an invoice credit, no later than sixty (60) days after the close of the year.

15.12.1.4. Provide the total amount per contract year at risk for performance guarantees. At time of contract, the parties shall mutually agree to the allocation of the at-risk funds based on the chart below.

Category	Measurement	Willingness to Provide? If No Indicate Alternative	Minimum Fees At Risk	Additional Fees At Risk
Develop an IV&V project work plan using Infor Deliverables	Completion of cohesive plan to be delivered with Infor detailed plan.	Yes	5% of total fixed fee pricing	\$0
Recommendations	Review and make recommendations on both the management of the Infor Project, both State and vendor, and the technical aspects of the Infor Project.	Yes	5% of total fixed fee pricing	\$0
Usability	Consult with relative stakeholders and assess the user involvement and buy-in regarding system functionality and the system's ability to meet program needs.	Yes	5% of total fixed fee pricing	\$0
Budget	Conduct an analysis of past Infor Project performance (schedule, budget) sufficient to identify and make recommendations for improvement.	Yes	5% of total fixed fee pricing	\$0
Performance Metrics	Develop performance metrics which allow tracking of Infor Project completion against milestones set by the State.	Yes	5% of total fixed fee pricing	\$0



Category	Measurement	Willingness to Provide? If No Indicate Alternative	Minimum Fees At Risk	Additional Fees At Risk
Systems	Review system hardware and software configuration and report on any compatibility and obsolescence issues.	Yes	5% of total fixed fee pricing	\$0
Operations Staffing	Assess and recommend improvement, as needed, to assure maintenance of the application, including personnel to the Infor Project and ongoing operations and maintenance of the application.	Yes	5% of total fixed fee pricing	\$0
Configuration	Assess Infor Project's Configuration Management (CM) function/organization by reviewing DEAM operations and making recommendations regarding appropriate processes and tools to manage system changes.	Yes	5% of total fixed fee pricing	\$0

16. Appendix A Key Staff Resumes



Nathan Frey

Managing Partner, ISG Public Sector

Phone: +1 512.970.0745

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ISG Role

Mr. Frey is a recognized expert in providing information technology (IT) and project management services to public sector organizations. He brings that expertise to ISG clients in state and local governments across a wide range of areas that include financial and compliance auditing, human resources, activity-based costing, process improvement services, internal control reviews, project management and consulting. Nathan has extensive experience at ISG in both leading and supporting client engagements. In these engagements, Nathan's involvement includes multiple responsibilities, including but not limited to developing systems requirements, performing comprehensive business case analyses, conducting strategic planning, formulating overall enterprise resource planning (ERP) procurement strategies and assisting with the development of data management strategies.

ISG Experience

Nathan has led a recent project for the State of Idaho to provide planning and advisory services supporting the acquisition and future implementation of a new, statewide ERP system to replace the state's aging financial management and cash management systems. He also has served as engagement partner on a systems modernization study to evaluate the condition of statewide and agency systems supporting financial management, procurement, human resource (HR) management, payroll administration and other administrative business processes. As part of this study, ISG performed an independent assessment of systems capabilities and assisted in the evaluation of alternative solutions to meet current and future state systems needs. Nathan also has served as engagement partner for ISG's quality assurance (QA) services for a state project providing comprehensive ERP planning and advisory services during the replacement of statewide administrative systems. In another ISG engagement, Nathan leads a project to provide quality assurance and independent project management services for a statewide implementation of SAP's financial, procurement, HR and payroll functionality. His earlier experience at ISG includes serving as quality assurance partner/director for a QA and project oversight engagement, supporting executive sponsors and project management through project start-up activities such as budget development, staffing reviews and contributions to project planning deliverables. He has also worked with city government to implement PeopleSoft as a new ERP solution for finance, procurement, HR and payroll functionality.

Career History

Nathan previously held positions in state government and commercial enterprises, including several years with a Big 5 accounting firm. As a consultant for STA, he worked with a state agency to assist in the selection and acquisition of a new statewide budget development system; in this role, he was responsible for coordinating the request for proposal (RFP) development process and providing strategic direction for evaluation, selection and implementation planning for the new system. In an earlier engagement, he served as project partner/director for a project to evaluate the possible replacement or enhancement of legacy administrative systems; this project included consideration of the state's financial, procurement, and HR/payroll systems. Another engagement involved serving as project director/manager for a project to prepare for the systematic evaluation and selection of a new



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statewide accounting and procurement system to replace the state's legacy applications. With another client, he performed follow-on engagements to prepare business case analysis reports for upgrade or replacement of a state Department of Transportation's (DOT) PeopleSoft financial system and a Department of Planning and Budget's project to replace its statewide budget development system. He assisted the same DOT in developing costing requirements for an RFP to acquire a replacement for its current financial ERP system. Nathan performed QA reviews of "as-is" process documentation for another state client, also assisting in the preparation and review of a project planning and cost-benefit document for the state's IT oversight board. In his role as the deputy chief financial officer of the Texas Department of Housing & Community Affairs (TDHCA), Nathan was responsible for all financial accounting functions of the agency. He managed five accounting supervisors and a total staff of more than 35 accountants. Additionally, Nathan managed the payroll and budget development functions for the agency.

Education and Credentials

Nathan holds a Bachelor of Science degree in Accounting from Louisiana Tech University and a Master of Business Administration degree in Finance from Baylor University

He is a certified Project Management Professional and is licensed as a Certified Public Accountant in Texas.



Randy Meek

Partner, ISG Public Sector

Phone: +1 816.213.8798

E-Mail: randy.meek@isg-one.com

ISG Role

Most recently, Randy provided support to the PMO for the State of Idaho Luma project where he was involved in the design, development, and delivery of the Phase 2 solution that included Infor's Workforce Management (WFM) and Global HR components. Randy utilized his extensive experience with ERP HR/Payroll/Time solutions to advise the state regarding risk and issue management, solution testing, impact analysis and incident tracking.

Randy has also led the delivery of our services for the State of Missouri that included ERP Market Research, development of ERP Software and Hosting Services RFP for financial management, budgetary control and human resource management SaaS solution followed by a second RFP to select an integrator to assist the state with the transition to the cloud. Randy is also leading the delivery of our IV&V services throughout the four year implementation of Oracle's EPM and ERP solutions.

Prior to his current engagement, Randy also serves as the engagement partner for our ongoing work with the State of North Carolina where ISG is assisting the state with their HCM transformation initiative as they plan to move from an on-premise assortment of disparate systems to an integrated HCM solution in the cloud.

Before his current projects, Randy participated in the review of test scenarios and functional requirements for the State of Utah's draft RFP to replace/upgrade their current HR/Payroll system. In addition, Randy served as engagement partners for the Auditor of State, State of Indiana HR/Payroll Modernization Project from August, 2018 through October, 2019. Randy and his team assisted the State with the documentation of current business processes within the agencies, AOS and SPD, as well as future state functional and technical requirements that will be utilized with the implementation of Oracle PeopleSoft HCM9.2.

In 2018, Randy was ISG's Partner on our recent contract with the District of Columbia where we provided assistance to the District to document current financial and budget development systems and business processes, future state vision and requirements, and drafted the Request for Proposal (RFP) for the EFS and budget development implementation services to assist the District with the transition from the on-premise legacy financial management (SOAR) and budget formulation system (BFS) to a Software-as-a-Service (SaaS) solution in the cloud.

Randy also functioned as the implementation oversight Partner for the five year (2012 – 2017) statewide deployment of the State of West Virginia ERP solution (wvOASIS) which included financial management, budget development and control, HR/Payroll, and linear asset management (three different on-premise software products). Randy's oversight team provided augmentation resources to the state and reviewed the solution design and other integrator deliverables from multiple contractors throughout all phases of the implementation project.



Randy Meek

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During the preceding five (5) years (2005 – 2009) Randy functioned as project manager for a statewide deployment of payroll, human resource management, benefits administration, billing and receivables, time and attendance, and leave management for the Commonwealth of Kentucky (KHRIS). Randy worked directly with the integrator and Commonwealth project managers to review project plans, schedules, budgets, and other project deliverables throughout the implementation.

Experience

Before working with ISG, Randy spent more than 21 years of his professional management consulting career with Deloitte, where he was a Director in the Public Sector Practice and helped established a successful national practice in the public education sector. Randy has managed technology-related projects in the public sector for the past 20 years including state and local government, higher education and K-12 public education. Randy has assisted governmental entities with the requirements definition and subsequent selection of a full suite of commercial software products for finance and accounting, payroll and human resources, time and labor management, e-procurement, facilities and asset management, transportation operations and linear asset management, vehicle titling and registration, driver’s licensing issuance, transportation routing and scheduling, food service operations, and student administration including admissions, registration, financial aid, scheduling, student accounting, and placement tracking.

- As the lead Partner overseeing the implementation of multiple statewide ERP initiative, Randy’s experience spans the complete life cycle of systems implementation including people, process and technology. Randy has positioned himself and ISG as a trusted advisory throughout the implementation and transition to statewide ERP solutions. Randy has been responsible for planning, advisory and project management services to support the implementation of a statewide ERP system.

Representative Experience

- District of Columbia
- Commonwealth of Kentucky
- State of Wisconsin
- State of Missouri
- State of Utah
- State of West Virginia
- State of Kansas
- State of California
- State of Indiana
- State of North Carolina

Education and Credentials

Randy holds a BBA in Business Administration from The University of Missouri Kansas City and studied Management Information Systems (MIS) at California State University Sacramento.



Mark Fairbank

Director, ISG Public Sector

Phone: +1 603.230.0116

E-Mail: mark.fairbank@isg-one.com

ISG Role

Mark Fairbank is an accomplished consultant who leads teams in process improvement projects and planning, execution and quality control of ERP implementation projects involving financial, procurement, payroll, HR and employee benefits functions; organizational change management; and shared services design, development and management. Mark is trained in Lean Process Improvement and has focused on its application to service processes in financial and administrative operations. Mark is skilled in troubleshooting projects and building and restoring relationships to mutual satisfaction through consultative solutions and business-focused implementation methods. He is an effective negotiator with extensive experience in written communications and presentations.

Experience

Mark has over 25 years of experience in project management on large-scale systems integration projects and operations in the public sector and private industry, including solutions offered by CGI-AMS Advantage ERP; Infor-Lawson ERP Financials/Global HR S3 and LTM; and Oracle/PeopleSoft.

Mark has been employed in two state governments, New Hampshire and Massachusetts, where he contributed as a statewide payroll manager, implementation manager, chief financial manager, and general manager in state agencies with a variety of missions, including finance and administration, public safety and forensic administration, and higher education in a medical environment. Mark served as the consultant leading the statewide CGI Advantage financial and procurement implementation at the state of West Virginia. Following that, he led the business process redesign and ERP business requirements project for the state of Florida.

Statewide ERP Project at State of Florida

Led the multi-party consulting team and client teams in business process analysis and design for the state's planned ERP implementation of all financial functions. (GL, AR, Cash/Treasury, AP, Budget, Grants/Projects, Payroll).

Following that, the State of Florida selected ISG to provide IV&V services to the cloud ERP implementations project. Mark led the ISG team consisting of specialists in finance, HR/payroll, organizational change management, and technologies.

Statewide ERP Project at State of West Virginia

Joined statewide ERP implementation team as new leader midway through project to recover project schedule and successfully implement statewide ERP for Financials on schedule July, 2014. (GL, AR, Cash/Treasury, AP, Grants/Projects). Rebuilt the trust and confidence of senior management at client and vendor by improving accountability, creative consulting, and establishing credibility for project team.

Statewide ERP Project, Lean Process Improvement at State of New Hampshire

As Department of Administrative Services Program Manager, led business process improvement, change management and implementation for the State of New Hampshire – working with all agencies. (GL, AR, Cash/Treasury, AP, Budget, Procurement, Grants/Projects, HR-Personnel, Benefits, Payroll)



Mark Fairbank

Director, ISG Public Sector

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Served as Project Manager for the state’s Phase 2 ERP implementation – a 19 month project to replace HCM/employee benefits/payroll system serving 65 state agencies, over 15,000 employees, and covering over 50,000 insured lives of employees, retirees and dependents. Project completed on schedule.

Implemented a robust and highly customized time reporting and leave administration system serving multiple state agencies in 120 days and all state agencies within six months.

Implementation and Management at the Commonwealth of Massachusetts

Served as Chief of Operations and CFO for the state’s medical examiner system and Director the forensic services program for the University of Massachusetts Medical School – won a competitive federal grant to design, develop and implement a new forensic case management system.

At the Office of the State Comptroller, led the design and implementation of financial interface systems, cost accounting and allocation systems to facilitate state budgeting and federal financial reporting. Served as Comptroller’s State Payroll Manager following the successful implementation.

Experience

State of Rhode Island Department of Administration, ERP Project

- State of Florida Department of Financial Services, Florida PALM
- State of West Virginia Enterprise Resource Planning Board; University of West Virginia; State Auditor’s Office; State Treasurer’s Office; Department of Human Services; Department of Public Safety; State Purchasing Division
- State of New Hampshire Department of Administrative Services; State Treasury; Department of Transportation; Department of Safety; Department of Health and Human Services; Department of Revenue; Department of Information Technology
- Commonwealth of Massachusetts Office of the Comptroller; University of Massachusetts Medical School; Department of Information Technology; Executive Office of Public Safety; Office of the Chief Medical Examiner

Education and Credentials

Mark graduated from the University of Massachusetts, where he earned a Bachelor of Arts degree in Political Science, Economics and Geography. He has also completed professional development programs at the Massachusetts Institute of Technology and the Tuck Business School at Dartmouth College. Additionally, Mark is certified as a Lean Process Improvement Practitioner by the State of New Hampshire.



Joe Koehn

Director, ISG Public Sector Americas

Phone: +1 317.706.6711

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ISG Role

Joe Koehn has been a director in the ISG Public Sector practice for eleven years and has over twenty-three years of leadership experience managing Enterprise Resource Planning (ERP) engagements exclusively in the public sector. He has demonstrated expertise in assessing client requirements (both business and technical) and guiding organizations through the software acquisition process. He has authored numerous solicitation documents and has successfully negotiated software and implementation contracts for state and local government, transit authorities, higher education, and K-12 education clients. He has recent experience in providing project oversight / IV&V services for cloud-based Software-as-a-Service (SaaS) ERP implementations as well as creating solicitation documents and evaluation plans for SaaS applications. Joe has authored several publications on ERP acquisition/implementation and has been an active speaker at state and national Government Finance Officer Association (GFOA) conferences.

Experience

Joe has led several engagements for ISG Public Sector as the Project Manager while also having a dual role of either a Finance/Procurement or HCM Lead in a number of those engagements. His experience includes all aspects of the Enterprise Resource Planning lifecycle including conducting needs assessments, documenting and analyzing as-is business processes, creating system requirements, developing Request for Proposals, authoring client evaluation plans, creating specific software and implementation demonstration scripts, leading BAFO requests, and assisting clients in negotiating software licenses/subscription agreements and implementation services contracts. Joe has also led some of ISG's most recent project oversight / IV&V engagements at the State Idaho and the City of Jacksonville, FL.

Joe is adept at understanding each client's vision, goals, and objectives as they begin the ERP acquisition journey and incorporating that vision throughout project activities. He has engaged client organizations both at the executive level to obtain executive commitment and sponsorship for the projects he has managed and at the line staff level to understand current process deficiencies and business requirements.

While at ISG, and in addition to the State of Idaho and the City of Jacksonville, Joe has advised clients such as Harris County, Texas; Prince William County, Virginia; City of San Antonio, Texas, State of Oklahoma, and the Illinois State Toll Highway Authority. Prior to joining ISG, Joe advised well over 25 state and local government, higher education, K-12, and transit authority clients through the ERP acquisition and implementation process. He has implemented and/or evaluated numerous ERP software products including SAP, CGI, Infor Public Sector CloudSuite, Workday, PeopleSoft, Oracle Fusion cloud-based applications, and many others.



Joe Koehn

Director, ISG Public Sector Americas

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In leading vendor evaluation and selection engagements at ISG, Joe has authored all necessary documents his clients have required throughout the entire acquisition process. This includes gathering and analyzing all data and information required to provide justifications and Return on Investment (ROI) analysis in a needs assessment; documenting As-Is business process flow diagrams with written analysis of where efficiencies can be gained by implementing new technology; creating a set of business requirements that can easily be evaluated and scored in a competitive procurement process; authoring solicitation documents and evaluation guides that not only convey the scope of work for vendors, but also create ease of evaluation for the client; developing software demonstration guidelines and specific process scenarios for software vendors during demonstrations; and creating negotiation templates and guides that quickly discern key negotiation points for client consideration.

As ISG's project manager for project oversight / IV&V services for the State of Idaho and the City of Jacksonville, FL, Joe led ISG's efforts to:

- Assist client project managers with project strategy / project planning / resource management,
- Review and assess the implementation methodology and associated deliverables submitted by the system integrator,
- Provide organizational change management expertise to assist the client's organizational change management efforts,
- Supplement client project functional team by providing subject matter expertise in project and grant accounting, asset management, custodial account management, chart of accounts development, vendor catalog / punchout, accounts receivable / inter-agency billing, and human resources / payroll,
- Assess project progress including facilitating discussions on key project issues / project risks, and
- Report on project status to project executives and project governance entities (e.g., Steering Committees).

Joe has also provided Organizational Change Management (OCM) services to several clients. These services have included designing and delivering organizational assessments and creating initial change management and communication plans for ERP implementations. He also has demonstrated experience in training needs assessments as well as instructional design and delivery.



Joe Koehn
Director, ISG Public Sector Americas
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Representative Experience

- State of Idaho
- State of Oklahoma
- Harris County, TX
- Prince William County, VA
- City of San Antonio, TX
- North Dakota University System
- Harper College, IL
- City of Jacksonville, FL
- Humble (TX) ISD
- Illinois State Toll Highway Authority
- Clark County, NV
- City of High Point, NC
- Wichita Public Schools (KS)
- Wake County, NC

Education and Credentials

Joe holds a Bachelor of Science in Secondary Education from Kansas State University. He also has completed extensive post-graduate work in the field of Human Resource Development/Organizational Development.



Linda Griffith

Director, ISG Public Sector

E-Mail: linda.coulter@isg-one.com

Summary

Linda Griffith has over thirty years of experience specializing in the procurement, negotiation, design, and implementation of governmental management information systems, and in information technology strategic planning. She is experienced in all aspects of the system development life cycle, including requirements/RFP development, vendor/software selection, contract negotiation, business process standardization, requirements confirmation, gap analysis/resolution, design, testing, report development, training, independent project management, quality assurance/IV&V, and project oversight.

Career Experience

Linda began her career as an auditor with Arthur Andersen, then served in fiscal management roles in private industry before focusing on governmental ERP implementations. She has led or contributed on projects to implement ERP systems for the states of Texas and multiple individual Texas agencies, Maryland, Michigan, Arizona, Idaho, Oregon, Kansas, Mississippi, and Alaska, as well as several cities, Institutions of Higher Education, and the Illinois Tollway. Linda served in an IV&V capacity for the State of Alaska Statewide ERP Project-Financials (IRIS), the State of Texas Comptroller of Public Accounts Statewide ERP Projects, and two Pandemic Preparedness Projects for the State of Alaska. IV&V responsibilities included working with the implementation vendors and deploying agencies in initial planning and work plan development, monitoring the approved work plan, reviewing project deliverables, contract management, risk identification and management, and communicating oversight findings to Executive and project management.

Most recently, Linda served in a support role on the State of Idaho Luma Project to implement Infor's CloudSuite for Financial and Supply Management and Human Capital Management. Responsibilities included working closely with the functional teams, technical teams and Infor to report and manage incidents and enhancements, creating a sustainment structure and implementation plan for the sustainment organization, and assisted in the change control board process.

Representative Clients

- State of Idaho: State Controller's Office, Luma Project
- State of Florida: Department of Financial Services, Florida PALM
- State of Alaska: Department of Administration, Division of Finance
- State of Texas: Texas Comptroller of Public Accounts, Texas Health and Human Services, Texas Youth Commission, Texas Legislative Council, Texas House of Representatives, Texas Department of Health, Employees Retirement Systems of Texas, Texas Education Agency, Texas Rehabilitation Commission



**Education and
Credentials**

Linda graduated from the University of Texas at Austin where she earned a Bachelor of Business Administration degree in Accounting, with honors. She has successfully completed PMI's Project Management Professional (PMP) Exam Certification Prep Course. Linda is licensed as a CPA in the State of Texas.



Stuart J. Spinner

Principal Consultant, ISG Public Sector

Phone: +1 303.709.7680

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Summary

Stuart Spinner is a consulting professional with over 20 years of experience specializing in systems implementation services with a focus on organizational effectiveness, business process redesign and change management. Areas of expertise include organizational alignment, leadership, and talent development, change management, organizational development and training, assessment, communications, adoption strategies and project management. Stuart performs and leads change management efforts extensively in ERP software implementations such as SAP, Oracle, and Infor. He has worked on numerous public sector ERP projects including State of Idaho, Hawaiian Electric Company (HECO), Aquarion Water Company, Metropolitan Transportation Authority (MTA) and State of Colorado. A trusted advisor to senior management with a reputation for understanding client needs, recommending appropriate products, services, and strategies, and implementing interventions based on sound business approaches, integrity and high standards.

Experience

Stu advises corporations and public sector entities on the implementation of ERP software systems (SAP and Oracle) to facilitate adoption and utilization strategies in areas that include leadership and organizational alignment, business process analysis and organizational change management program implementation. Projects include:

- State of Idaho (Senior Advisor on enterprise-wide Infor Cloudsuite implementation);
- Metropolitan Transportation Authority (MTA - Change Architect on enterprise-wide EAM implementation);
- Hawaiian Electric Company (HECO - Change Architect on enterprise-wide SAP implementation);
- Aquarion Water Company (Change Architect on SAP CRM implementation); and
- Electric Boat (Division of General Dynamics - Change Architect on enterprise-wide Oracle implementation).

Responsibilities include developing change management strategies and plans, creating communications strategies and approaches, facilitating organizational alignment sessions, coaching leadership and senior executives, managing change agent networks, creating business readiness instruments, providing training oversight and best practices, and managing project plans.

Representative Experience

- Hawaiian Electric Company
- Aquarion Water Company
- State of Idaho
- New York MTA
- State of Colorado



Stuart J. Spinner

Principal Consultant, ISG Public Sector

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**Education,
Credentials and
Technical
Knowledge**

Stuart earned a B.A. from State University of New York at Albany, an M.A. in Organizational Psychology from Columbia University in New York, NY, and an M.B.A from Adelphi University, Garden City, NY.

Stuart also holds the following academic appointments:

- Adjunct Professor – University of Pittsburgh School of Business: Organizational Behavior
- Adjunct Professor – Carnegie Mellon University: Organizational Change / Advanced Topics on Leadership



Mark Ervin

Principal Consultant, ISG Public Sector

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Experience

Mark is a senior-level, outcome-focused technology and business professional with proven success in enterprise IT strategy and operations management. He brings 20+ years’ consulting experience managing diverse, complex, enterprise modernization projects across a variety of public sector clients. He also brings substantial project and program management expertise with enterprise applications (custom, Framework, COTS), technology infrastructure modernization and large-scale managed services efforts, that aligned IT solutions with organizational goals. Mark has experience in both leading and supporting client engagements. He has served as IT director for the private sector and as a CIO for the public sector. Additionally, he has over 8 years of service providing IV&V, quality assurance, advisory and IT management services to a variety of state and local clients.

Career History

Mark initiated his career as a systems analyst for a fiscal management software development company providing implementation services for legal clients. He became Director of IT for a document management software development company leading their IT expansion across North America (US, Canada) and the UK. He transitioned to one of the top tier consulting companies and led numerous complex projects which entailed among others the planning, execution, and implementation of statewide enterprise modernization efforts for public sector clients. At the request of the State of Florida Agency Director, Mark became CIO to lead their technology modernization initiative. For the last 10+ years, Mark has focused on providing IV&V, quality assurance and IT management consulting services for state and local clients.

Representative Experience

- Florida Department of Financial Services (DFS) Office of Financial Regulation (OFR)
- Florida Department of Agriculture and Consumer Services (FDACS)
- Florida Department of Transportation (FDOT)
- Florida Department of Law Enforcement (FDLE)
- Florida Department of Elder Affairs
- Florida Agency for People with Disabilities
- Florida Department of Education (Office of Early Learning)
- Georgia Employee Retirement System (ERS)
- Georgia Teachers Retirement System (TRS)
- Pennsylvania Office of Administration

Education and Credentials

Mark holds a dual bachelor’s degree in Management Information Systems and Business Administration, with a minor in Philosophy from Valdosta State University. He has held his Project Management Professional (PMP) certification since 2005.



17. Exhibits and Attachments

Provided on the following pages are:

1. **Appendix B: State of New Hampshire Transmittal Letter**
2. **Exhibit 1: Bidder total projected cost factors (Provided in separate attachment)**
3. **Exhibit 2: Questionnaire**
4. **Exhibit 3: Audited Financial Statements**
5. **Exhibit 4: IV&V Project Plan**
6. **Certificate of Insurance**
7. **State of New Hampshire Certificate of Good Standing**
8. **Certificate of Authority**
9. **RFP 2703-23: All pages dated and initialed (including addendums)**



17.1. Appendix B: State of New Hampshire Transmittal Letter

APPENDIX B: TRANSMITTAL LETTER

STATE OF NEW HAMPSHIRE TRANSMITTAL LETTER

Date: 8/11/2023 Company Name: International Consulting Acquisition Corp. d/b/a ISG Public Sector
 Address:
2187 Atlantic Street
Stamford, CT 06902

To: Point of Contact: Mathew Stanton
 Telephone: 603-271-3235
 Email: Mathew.T.Stanton@das.nh.gov

RE: Proposal Invitation Name:
 RFP Number: 2703-23
 RFP Posted Date (on or by): July 14, 2023
 RFP Closing Date and Time: August 11, 2023 @ 10:00 AM (EST)

[Insert name of signor] Nathan Frey on behalf of International Consulting Acquisition Corp [insert name of entity submitting RFP (collectively referred to as "Bidder") hereby submits an offer as contained in the written RFP submitted herewith ("RFP") to the State of New Hampshire in response to RFP # 2703-23 for Independent Verification and Validation Services of the price(s) quoted herein in complete accordance with the RFP.

Bidder attests to the fact that:

1. The Bidder has reviewed and agreed to be bound by the RFP.
2. The Bidder has not altered any of the language or other provisions contained in the RFP document.
3. The RFP is effective for a period of 180 days from the RFP Closing date as indicated above.
4. The prices Bidder has quoted in the RFP were established without collusion with other bidders.
5. The Bidder has read and fully understands this RFP.
6. Further, in accordance with RSA 21-1:11-c, the undersigned Bidder certifies that neither the Bidder nor any of its subsidiaries, affiliates or principal officers (principal officers refers to individuals with management responsibility for the entity or association):
 - a. Has, within the past 2 years, been convicted of, or pleaded guilty to, a violation of RSA 356:2, RSA 356:4, or any state or federal law or county or municipal ordinance prohibiting specified bidding practices, or involving antitrust violations, which has not been annulled;
 - b. Has been prohibited, either permanently or temporarily, from participating in any public works project pursuant to RSA 638:20;
 - c. Has previously provided false, deceptive, or fraudulent information on a bidder code number application form, or any other document submitted to the state of New Hampshire, which information was not corrected as of the time of the filing a bid, proposal, or quotation;
 - d. Is currently debarred from performing work on any project of the federal government or the government of any state;
 - e. Has, within the past 2 years, failed to cure a default on any contract with the federal government or the government of any state;
 - f. Is presently subject to any order of the department of labor, the department of employment security, or any other state department, agency, board, or commission, finding that the applicant is not in compliance with the requirements of the laws or rules that the department, agency, board, or commission is charged with implementing;
 - g. Is presently subject to any sanction or penalty finally issued by the department of labor, the department of employment security, or any other state department, agency, board, or commission, which sanction or penalty has not been fully discharged or fulfilled;
 - h. Is currently serving a sentence or is subject to a continuing or unfulfilled penalty for any crime or violation noted in this section;
 - i. Has failed or neglected to advise the division of any conviction, plea of guilty, or finding relative to any crime or violation noted in this section, or of any debarment, within 30 days of such conviction, plea, finding, or debarment; or
 - j. Has been placed on the debarred parties list described in RSA 21-1:11-c within the past year.

This document shall be signed by a person who is authorized to legally obligate the responding vendor. A signature on this document indicates that all State of New Hampshire terms and conditions are accepted by the responding vendor and that any and all other terms and conditions submitted by the responding vendor are null and void, even if such terms and conditions have terminology to the contrary. The responding vendor shall also be subject to State of New Hampshire terms and conditions as stated on the reverse of the purchase order.

Authorized Signor's Signature Nathan L. Frey Authorized Signor's Title Partner

17.2. Exhibit #2: Questionnaire

General Information about the Bidder's Company

10. Please provide the following information about your company:

Company Name	International Consulting Acquisition Corp. d/b/a ISG Public Sector
Years in Business	25 years
Parent Company Name (if applicable)	Information Services Group, Inc. (ISG)
Number of Employees (total)	1,600
Number of Employees (focused on ERP implementation)	ISG is not an ERP systems integrator. We provide IT research and advisory services across 20+ countries. Within the US, ISG Public Sector has a team of approximately 50 employees and long-term contractors advising on ERP software and services decisions and assisting with the implementation from an IV&V oversight, or quality assurance perspective.

11. Has your company expanded, reorganized, or merged in the last year? If yes, please explain.

As the world has evolved, so have we. We have grown bigger and stronger to meet the demands of the digital revolution, adding new capabilities sprung from the innovative minds of our people, or incorporated through a series of acquisitions as depicted on the adjacent timeline.



Table 8: Company Timeline

12. Do you plan to sub-contract any portion of the services required to another company? If yes, please describe.

We do not plan to subcontract any portion of these services to another company.

13. Describe any pending or prior litigation your company has been involved with over the last ten years.

ISG Public Sector does not have any pending or prior litigation relating to client engagements over the last ten years.

14. Has your company been subject to a market conduct or enforcement investigation within last ten years? If yes, explain the nature, current status, and the outcome(s).

ISG has never been subject to a market conduct or enforcement investigation.

15. Is there any existing or potential conflict of interest with regard to any work performed or to be performed by your company with the State of NH?

ISG has no existing or potential conflicts of interest regarding any current, prior, or anticipated work to be done with the State of New Hampshire.

16. History and Customer Base (including Public Sector)

Information Services Group, Inc., the parent company of ISG Public Sector, was founded in 2006 and now serves over 900 clients annually, including 75 of the top 100 commercial entities in the world.

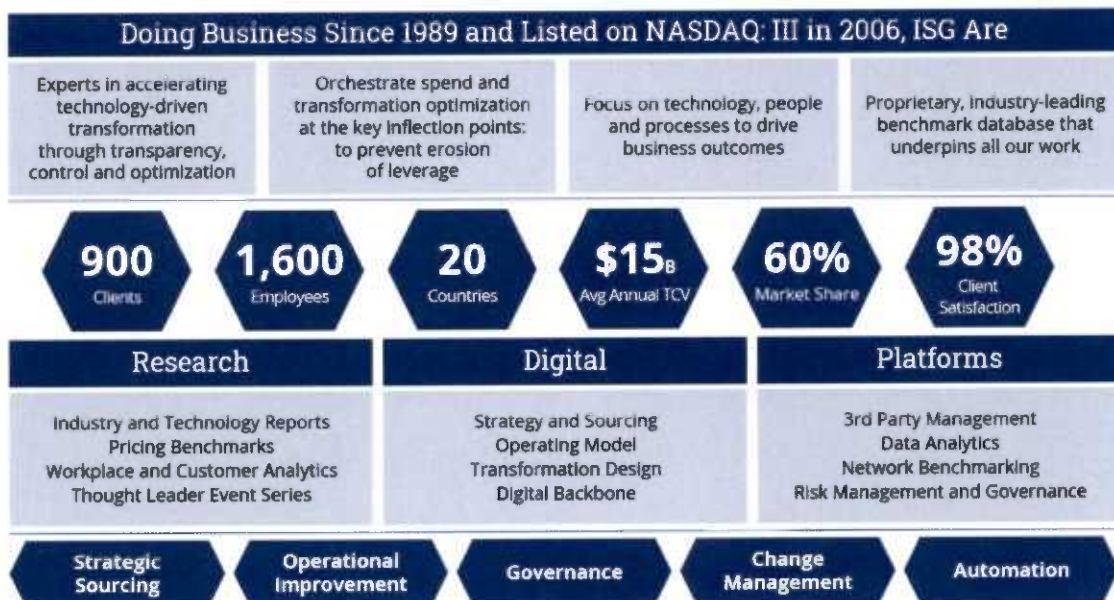


Table 9: Company Overview

17. How many years has your company been doing IV&V for large public sector employees?

ISG has provided quality assessment, IV&V, and project oversight advisory services for 25 years, including 17 statewide ERP projects: Alaska, Arkansas, Arizona, Florida, Idaho, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Tennessee, Texas, Washington, West Virginia, and Rhode Island.

18. What makes your company most qualified as a bidder to provide these services?

ISG is presently completing our IV&V engagement with the State of Idaho's full-suite, big-bang CloudSuite ERP implementation that began in September 2019. To our knowledge, no other state has implemented Infor's SaaS/Cloud-based offering to a greater extent than Idaho. ISG's nine-person team will be completing our services with Idaho over the next few months, and we are proposing key resources from that battle-tested IV&V project team to serve as New Hampshire's core IV&V team. No other bidder can offer more recent or relevant state-level Infor IV&V experience.

Beyond our personnel, our IV&V approach has evolved over 25 years of providing end-to-end ERP advisory services ranging from development of business cases, documentation of requirements and



business processes, and software and services RFP creation, evaluation, and negotiation assistance. Furthermore, ISG has worked with seventeen (17) states in quality assurance and IV&V roles.

As described in the body of our proposal, ISG believes that IV&V quality control services should be proactive, value-added activities that not only highlight concerns but also help decision makers by providing insights and advice needed to drive execution and achieve project goals.

Our technical proposal highlights key differentiators of working with ISG that generate actionable recommendations and yield actionable results from our IV&V services:

- A six-step IV&V approach that focuses on proactive, forward-looking activities to avoid risks and issues, rather than focusing on problems after they occur.
- Unparalleled experience with a statewide Infor CloudSuite IV&V engagement and access to other ISG project teams working cloud-based IV&V engagements for Workday in Rhode Island and Oracle Cloud in Missouri.
- Seasoned cross-functional resources that bring ERP project management, functional/technical domain insight, and deep involvement as public sector employees and consultants from multiple state government clients.
- Our independence in relation to all software providers and implementation services vendors allows us to perform the requested services with objectivity and focus on achieve the best outcomes for the State.

19. In the following grid, list the total number of your company’s employer customers by category:

Client Type	Number of Customers	
	Total	Total Public Sector
IV&V Services	Our parent company, Information Services Group, Inc. serves over 900 customers each year. However, our IV&V and ERP services reside solely in our Public Sector practice.	We provide IV&V services exclusively for ERP engagements.
Infor Implementations		1 – State of Idaho IV&V Services
IV&V ERP Engagements		17 – Statewide 5 – Large City/County 4 – Higher Education

20. What is the size of your company’s average customer?

ISG has guided more than 60% of the largest companies in the world through complex programs of structural change for their business support functions (source: ISG clients include 305 of the Forbes Global 500). ISG Public Sector has worked with 25 of the 50 states and numerous large municipal governments and higher education organizations.

In descriptive terms, our average customer is a medium state or large city or county government with employee counts between 10,000 and 50,000. Our higher education customers are mostly Tier 1 research institutions or very large community colleges. Almost all of our clients are considering or implementing ERP projects to replace legacy systems that range from custom-built mainframe systems to prior generation ERP system that are maintained on-premise and are highly customized. Beginning in 2018, clients have shifted their projects towards a reliance on hosted, hybrid-cloud, or fully SaaS-based solutions. Our clients tell us that they fear what they do not know about the move from on-premise to the cloud, and they seek our expertise to help them minimize their risk through our engaged and collaborative approach to IV&V services.



As depicted in Table 10, our services to the twenty-five (25) state governments collectively represent our largest Public Sector customers.

Client	State Budget 2022	Number of Employees
1. State of Texas	\$171 billion	302,699
2. State of Florida	\$97.8 billion	166,908
3. State of Michigan	\$61.4 billion	101,969
4. Commonwealth of Virginia	\$50.6 billion	92,078
5. State of Washington	\$50.6 billion	92,078
6. State of North Carolina	\$49.3 billion	90,032
7. State of Minnesota	\$38.2 billion	68,919
8. State of Wisconsin	\$37.21 billion	64,948
9. State of Arizona	\$36.3 billion	56,325
10. State of Tennessee	\$36.3 billion	65,373
11. State of Louisiana	\$32.9 billion	54,876
12. State of Indiana	\$29.3 Billion	52,965
13. State of Connecticut	\$29.1 Billion	43,781
14. State of Missouri	\$28.2 billion	57,412
15. State of Arkansas	\$24.8 billion	34,912
16. Commonwealth of Kentucky	\$21.1 billion	38,959
17. State of Mississippi	\$19.4 billion	37,695
18. State of Kansas	\$15.7 billion	30,342
19. State of West Virginia	\$15.5 billion	30,123
20. State of Nebraska	\$10.2 billion	17,902
21. State of Alaska	\$9.6 billion	20,925
22. State of Nevada	\$8.6 billion	18,945
23. State of Rhode Island	\$7.8 billion	16,652
24. State of Idaho	\$7.2 billion	16,965
25. State of South Dakota	\$4.5 billion	10,567

* Source: National Association of State Budget Officers (NASBO) 2022

Table 10: ISG Public Sector's Largest Customers

21. Does your company have a service line dedicated to the Public Sector and/or State Government? If yes, briefly describe the lines of coverage/service involved.

ISG has a dedicated public sector practice. The practice is headed by Nathan Frey, Partner. ISG Public Sector has been providing services for ERP analysis, acquisition, negotiation IV&V and project oversight to the public sector and institutions of higher education for more than 24 years. Our mission is to serve our clients by providing independent advisory services that help our clients successfully achieve enterprise-wide, value-creating business transformations, enabled by the application of technology.

ISG does not sell ERP software or hardware, nor are we an implementation partner for any ERP vendor. We maintain our independence and our objectivity so that our focus remains on the best value for our customers. Services offered to state, local government and higher education institutions include:



- IT strategic planning;
- Independent project management Independent Verification & Validation and/or oversight;
- HR and Financial technology and service delivery transformation;
- Robotic process automation;
- Organizational change management;
- Assessment of legacy administrative systems;
- Business case and ROI analyses;
- As-Is” and “To Be” business process mapping and analysis;
- Feasibility and alternative solution studies;
- Needs assessment and requirements definition studies (technical, functional, project);
- Development of requests for proposal, requests for information, and other procurement documents;
- Assistance in the evaluation and selection of enterprise software and associated services;
- Enterprise document management advisory services;
- IT benchmarking services;
- Cloud assessment and strategy services;
- Telecommunications audit services; and
- Contract negotiations.

22. Describe three (3) of your largest Public Sector customers.

Historically, ISG’s three largest clients in terms of annual budget are the states of Texas, Florida, and Michigan. For each of those states ISG began our relationship via engagements to document business processes, develop requirements, draft RFPs for software and implementation services, and support proposal evaluation and contract negotiation activities. After supporting the acquisition of ERP software and services, ISG continued in IV&V and quality assurance roles for each.

In terms of engagement length and total spend, ISG’s largest clients would include the states of Arizona, Idaho, Louisiana, Michigan, Mississippi, Tennessee, and West Virginia. We provided IV&V services for those states and had total client relationships spanning greater than 5 years and investing more that \$10 million each in ISG services over the duration of their ERP journeys.

Please see Table10: ISG Public Sector’s Largest Customers for a list of our twenty-five (25) current and former state government clients and their respective budgets and employee counts.



17.3. Exhibit #3: Audited Financial Statement

- a) Bidder's most recent annual report or other financial reports (including audited financial statements);
- b) SSAE 16, SAS-70, or equivalent external audit of Bidder's operations; and
- c) Most recent A.M. Best Financial Strength Rating Report. If your company is privately held, list owners with five (5) percent or more of equity.

Provided on the following pages are:

- a. ISG 2022 audited financial statement 10K report. **(See Appendix C)**
- b. ISG has provided our ISO 27001 certificate the international standard focused on information security.
- c. ISG Dunn and Bradstreet report in response to the A.M. Best Financial Strength Rating.

bsi.



By Royal Charter

Certificate of Registration

INFORMATION SECURITY MANAGEMENT SYSTEM - ISO/IEC 27001:2013

This is to certify that: **ISG (Group Services) Ltd**
Hays House
Millmead
Guildford
GU2 4HJ
United Kingdom

Holds Certificate Number: **IS 655052**

and operates an Information Security Management System which complies with the requirements of ISO/IEC 27001:2013 for the following scope:

ISG is a global technology research and advisory services firm. The ISMS covers the Management of Information Security for global ISG client services businesses, and includes the acquisition, handling, processing, storage and communication of client information. The applicable SOA is ISMS -ISG-002 v2.5 dated 30/09/2019.

For and on behalf of BSI:

Andrew Launn, EMEA Systems Certification Director

Original Registration Date: 2017-01-17

Effective Date: 2020-01-17

Latest Revision Date: 2020-01-14

Expiry Date: 2023-01-16

Page: 1 of 2



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This certificate was issued electronically and remains the property of BSI and is bound by the conditions of contract. An electronic certificate can be authenticated [online](#). Printed copies can be validated at www.bsigroup.com/ClientDirectory

Information and Contact: BSI, 389 Chiswick Road, Uxbridge, Middlesex, UK. Tel: +44 345 080 9000
BSI Assurance UK Limited, registered in England under number 7805321 at 389 Chiswick High Road, London W4 4AL, UK.
A Member of the BSI Group of Companies.



D&B Finance Analytics

Printed By: Saleem Pasha

Date Printed: 05-18-2023

LIVE REPORT

ISG INFORMATION SERVICES GROUP AMERICAS, INC.

78-330-6327 or 2187 Atlantic Street Stamford, CT 06902, United States Of America

D&B **MAINTAIN**

D-U-N-S Number: 78 330 6327
Phone: +1 281 465 5700

Address: 2187 Atlantic St, Stamford, CT, 06902, United States Of America
Endorsement: saleem.pasha@isg-one.com

Summary

KEY DATA ELEMENTS (Showing 6 of 6)

KDE Name	Current Status	Details
PAYDEX®	64	30 Days Beyond Terms
Delinquency Score	86	Low to Moderate Risk of severe payment delinquency
Failure Score	40	Moderate Risk of severe financial stress
D&B Viability Rating	V I A B Z	View More Details
Bankruptcy Found	N	
D&B Rating	1R3	18 employees and over, Moderate Risk

ALL ACCOUNTS

Totals	Total Outstanding	Approved Credit Limit	Credit Limit Utilization	Total Past Due
-	-	-	-	-

Account Level Detail

Account Name	Total Outstanding	Approved Credit Limit	Credit Limit Utilization	Total Past Due
				

There are currently no account associated with this D-U-N-S.
 Upload account or create an account to view summary.

COMPANY PROFILE

D-U-N-S 78-330-6327	 mailing Address PO Box 6657 Spring TX 77367 United States	Employee 600-138 here
Legal Form Corporation (US)	Telephone +1 281 465 5700	Age / Year Started* 11 years (24.00)
History Record Clear	Present Control Succeeded 2001	Named Principal David Berger PRES-CFO
When Incorporated		Line of Business



17.4. Exhibit #4 IV&V Project Plan

Please provide a comprehensive project plan outlining your companies approach to IV&V oversight consistent with the project scope as defined herein. Be sure to include required resources, timeline to completion for each milestone proposed, and associated values.

ISG IV&V Project Plan

The following pages contain the ISG IV&V project plan, which aligns with our approach and is consistent with the project scope. As requested, the plan includes project resources, start dates and end dates for each task. Due to the episodic nature of the IV&V process (and to save space), we are displaying the first two months of IV&V activities. In month one, we will produce an IV&V Management Plan as well as our first bi-weekly health assessment report. In month one, we will also confirm the contents, format, and audience for the monthly executive health assessment reports. From month two forward, we will produce the bi-weekly health assessment reports and the monthly executive health assessment report using a consistent, repeatable approach.



State of New Hampshire										
ID	Task Name	Duration	Estimated Start	Estimated Finish	2024				2025	
					Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
1	IV&V Sample Project Plan	391 days	Mon 10/2/23	Mon 3/31/25						
2	IV&V Planning	390 days	Mon 10/2/23	Fri 3/28/25						
3	IV&V Oversight	390 days	Mon 10/2/23	Fri 3/28/25						
5	Confirm the IV&V Management Plan	16 days	Mon 10/2/23	Mon 10/23/23						
12	Inception	65 days	Mon 10/2/23	Fri 12/29/23						
13	Month 01 IV&V Activities	22 days	Mon 10/2/23	Tue 10/31/23						
14	1 - Identify subject to be evaluated and obtain materials	1 day	Mon 10/2/23	Mon 10/2/23						
15	1 - Meet with the people who are responsible for the work products	2 days	Tue 10/3/23	Wed 10/4/23						
16	1 - Prepare the comprehensive analysis of the situation	3 days	Thu 10/5/23	Mon 10/9/23						
17	1 - Determine the best options, build recommendations, confirm feasibility.	3 days	Tue 10/10/23	Thu 10/12/23						
18	1 - Deliver recommendations/incorporate decisions into IV&V ongoing operations	2 days	Fri 10/13/23	Mon 10/16/23						
19	1 - Bi-Weekly Health Assessment Report	0 days	Mon 10/16/23	Mon 10/16/23						
20	2 - Identify subject to be evaluated and obtain materials	1 day	Tue 10/17/23	Tue 10/17/23						
21	2 - Meet with the people who are responsible for the work products	2 days	Wed 10/18/23	Thu 10/19/23						
22	2 - Prepare the comprehensive analysis of the situation	3 days	Fri 10/20/23	Tue 10/24/23						
23	2 - Determine the best options, build recommendations, confirm feasibility.	3 days	Wed 10/25/23	Fri 10/27/23						
24	2 - Deliver recommendations/incorporate decisions into IV&V ongoing operations	2 days	Mon 10/30/23	Tue 10/31/23						
25	2 - Bi-Weekly Health Assessment Report	0 days	Tue 10/31/23	Tue 10/31/23						
26	Executive Health Assessment Report 1	0 days	Tue 10/31/23	Tue 10/31/23						



State of New Hampshire										
ID	Task Name	Duration	Estimated Start	Estimated Finish	2024		2025			
					Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
27	Month 02 IV&V Activities	22 days	Wed 11/1/23	Thu 11/30/23						
28	1 - Identify subject to be evaluated and obtain materials	1 day	Wed 11/1/23	Wed 11/1/23						
29	1 - Meet with the people who are responsible for the work products	2 days	Thu 11/2/23	Fri 11/3/23						
30	1 - Prepare the comprehensive analysis of the situation	3 days	Mon 11/6/23	Wed 11/8/23						
31	1 - Determine the best options, build recommendations, confirm feasibility.	3 days	Thu 11/9/23	Mon 11/13/23						
32	1 - Deliver recommendations/incorporate decisions into IV&V ongoing operations	2 days	Tue 11/14/23	Wed 11/15/23						
33	1 - Bi-Weekly Health Assessment Report	0 days	Wed 11/15/23	Wed 11/15/23						
34	2 - Identify subject to be evaluated and obtain materials	1 day	Thu 11/16/23	Thu 11/16/23						
35	2 - Meet with the people who are responsible for the work products	2 days	Fri 11/17/23	Mon 11/20/23						
36	2 - Prepare the comprehensive analysis of the situation	3 days	Tue 11/21/23	Thu 11/23/23						
37	2 - Determine the best options, build recommendations, confirm feasibility.	3 days	Fri 11/24/23	Tue 11/28/23						
38	2 - Deliver recommendations/incorporate decisions into IV&V ongoing operations	2 days	Wed 11/29/23	Thu 11/30/23						
39	2 - Bi-Weekly Health Assessment Report	0 days	Thu 11/30/23	Thu 11/30/23						
40	Executive Health Assessment Report 2	0 days	Thu 11/30/23	Thu 11/30/23						
41	Month 03 IV&V Activities	21 days	Fri 12/1/23	Fri 12/29/23						
55	Elaboration	110 days	Mon 1/1/24	Fri 5/31/24						
56	Month 04 IV&V Activities	23 days	Mon 1/1/24	Wed 1/31/24						
70	Month 05 IV&V Activities	21 days	Thu 2/1/24	Thu 2/29/24						
84	Month 06 IV&V Activities	21 days	Fri 3/1/24	Fri 3/29/24						



State of New Hampshire										
ID	Task Name	Duration	Estimated Start	Estimated Finish	2024					2025
					Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
98	Month 07 IV&V Activities	22 days	Mon 4/1/24	Tue 4/30/24						
112	Month 08 IV&V Activities	23 days	Wed 5/1/24	Fri 5/31/24						
126	Construction	130 days	Mon 6/3/24	Fri 11/29/24						
127	Month 09 IV&V Activities	20 days	Mon 6/3/24	Fri 6/28/24						
141	Month 10 IV&V Activities	23 days	Mon 7/1/24	Wed 7/31/24						
156	Month 11 IV&V Activities	22 days	Thu 8/1/24	Fri 8/30/24						
169	Month 12 IV&V Activities	21 days	Mon 9/2/24	Mon 9/30/24						
183	Month 13 IV&V Activities	23 days	Tue 10/1/24	Thu 10/31/24						
197	Month 14 IV&V Activities	21 days	Fri 11/1/24	Fri 11/29/24						
211	Transform	65 days	Mon 12/2/24	Fri 2/28/25						
212	Month 15 IV&V Activities	22 days	Mon 12/2/24	Tue 12/31/24						
226	Month 16 IV&V Activities	23 days	Wed 1/1/25	Fri 1/31/25						
240	Month 17 IV&V Activities	20 days	Mon 2/3/25	Fri 2/28/25						
254	Optimize	21 days	Mon 3/3/25	Mon 3/31/25						
255	Month 18 IV&V Activities	21 days	Mon 3/3/25	Mon 3/31/25						



ISG Approach by IV&V Task

On the following pages, ISG has provided a table containing a proposed plan for each of the IV&V tasks identified in Section 3.15.11 of the RFP. The table analyzes each task and provides the type of activity (e.g., one-time, ongoing), the method of approach (e.g., evaluate [E], verify [Ve], validate [Va], interview [I]), the anticipated resource assignment (e.g., Engagement Partner [EP], Project Manager [PM], Subject Matter Expert [SME]), and a brief statement of our approach to completing that task.



Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
Project Management								
PM1	Evaluate the project management plans and procedures to verify that they are developed, communicated, implemented, monitored and completed.	One-time	X			X	EP, PM	Review deliverable expectation documents (DEDs) and written deliverables per the SI statement of work. Interview State and SI project management and governance members to ensure understanding of requirements and expectations.
PM2	Initial evaluation of project reporting plan, meeting cadence and actual project reports to verify project status is accurately traced using project metrics.	One-time	X			X	EP, PM	Review DEDs, deliverables and interview key stakeholders. Evaluate tools and techniques used to manage project progress and metrics.
PM3	Verify milestones and completion dates are planned, monitored, and met.	Ongoing		X		X	PM	Participation in weekly project status meetings and workplan reviews.
PM4	Verify the existence and communication of an appropriate project issue tracking mechanism that documents issues as they arise, enables communication of issues to proper stakeholders, documents a mitigation strategy as appropriate, and tracks the issue to closure. This should include but is not limited to technical and development efforts.	One-time		X		X	PM	Review DEDs and deliverables. Review risk and issues log policies, procedures and management mechanisms. Discuss with key functional and technical stakeholders to assess adequacy to meet needs of a complex statewide ERP project.
PM5	<p>Reviews should include, but are not limited to the following:</p> <ul style="list-style-type: none"> ▪ Project Charter, ▪ Project Schedule, ▪ Project Scope by workstream, ▪ Communication plan, ▪ Data migration and validation Plan, ▪ Testing Plan, ▪ Organizational Change Management Plan, ▪ Training Plan, (Including LMS & User Adoption Platform (UAP) tools), 	One-time and Ongoing	X	X	X	X	EP, PM, SME	<p>ISG commits to IV&V review of the listed implementation project and systems integrator deliverables noted in Task #PM5. Most of these deliverables are one-time reviews. Others, such as monitoring the project schedule, scope, and staffing, are ongoing IV&V activities that occur as part of the IV&V team's integration with project management and participation in project team activities.</p> <p>Execution of activities implied by these deliverables will be monitored via the IV&V</p>

Legend: E – Evaluate Ve – Verify Va – Validate I – Interview EP – Engagement Partner PM – Project Manager SME – Functional or Technical Subject Matter Expert



Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
	<ul style="list-style-type: none"> Staffing Plan, Project Reporting Plan, Interface Plan, Conversion Plan, Acceptance & Hand Over Plan. 							recurring processes of identification, examination, observation, and feedback.
Risk Management								
RM1	Evaluate the project’s risk management plans and procedures to verify that risks are identified and quantified and that mitigation plans are developed, communicated, implemented, monitored, and completed.	One-time	X		X	X	EP, PM	Review DEDs, deliverables and interview key stakeholders. Evaluate tools and techniques used to identify and monitor project risks and issues.
RM2	Interview stakeholders to identify additional risks and work with project team to identify risk mitigation strategy.	Ongoing				X	PM, SME	Establish recurring meeting cadences with project management, stakeholders, and governance members to identify risks and develop mitigation strategies.
RM3	Develop and maintain an independent risk management log for each project of risks identified by IV&V not identified by the Implementation, Organizational Change Management(OCM), and Training teams.	Ongoing		X	X		PM, SME	Leverage interviews of key stakeholders to identify and evaluate risks. Participation in recurring risk reviews and weekly project status meetings.
Project Estimating and Scheduling								
PE1	Evaluate and make recommendations on the estimating and scheduling process of the project to ensure that the project budget and resources are adequate for the work breakdown structure and schedule.	One-time	X		X	X	PM	Review DEDs, deliverables and interview key stakeholders. Evaluate tools and techniques used to monitor project plans, project budget, % complete, resource assignments and progress against schedule.
PE2	Review schedules to verify that adequate time and resources are assigned for planning, development, review, testing and rework, and final deployment readiness.	Ongoing	X	X		X	PM, SME	Participate in weekly project status meetings and project plan reviews, noting progress against plan, dependencies, resource constraints, % complete, and impacts of testing and possible rework.
Project Staffing								



Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
PS1	Verify that the project's organizational structure supports training, process definition, independent Quality Assurance, Configuration Management, product evaluation, Change Management, and any other functions critical for the project's success.	One-time		X		X	EP, PM	Review project org structure for alignment with major project activities. Interview project management and stakeholders for alignment with expectations.
PS2	Verify that the obligations of Infor subcontractors and any potential external staff (terms, conditions, statement of work, requirements, standards, development milestones, acceptance criteria, delivery dates, etc.) are clearly defined.	One-time		X		X	PM	Review SI contractual commitments and contracts of significant subcontractors and suppliers. Consider alignment of external contract terms with goal of the project. Interview internal/external contract managers to identify defined roles/responsibilities.
PS3	Verify that subcontractors have and maintain the required skills, personnel, plans, resources, procedures, and standards to meet their commitment.	Ongoing		X			PM, SME	Participation in resource analysis and staffing requirements to ensure appropriate numbers and skills are provided to the program.
PS4	Verify that State oversight is provided in the form of periodic status reviews and technical interchanges by the appropriate stakeholders.	Ongoing		X		X	PM	Review State oversight reporting. Perform periodic review of org charts and staffing status to identify risks or gaps in skills. Interview stakeholders to determine staffing needs are being anticipated and fulfilled.
PS5	Verify that the State has defined the technical and managerial inputs the vendor(s) need (reviews, approvals, requirements, and clarifications, etc.) and has the resources to supply them on schedule.	One-time		X			PM, SME	Review project plan and resource needs for upcoming project activities. Determine if planning activities and deliverables adequately forecast resource needs in a timely manner.
PS6	Verify that the appropriate staff has the ultimate responsibility for monitoring project cost and schedule across the whole program.	One-time		X		X	EP, PM	Interview project sponsors and governance members to gain understanding of reporting and control expectations. Review project governance policies/procedures, project management, and contract management roles/responsibilities to monitor and report project cost and

Legend: E – Evaluate Ve – Verify Va – Validate I – Interview EP – Engagement Partner PM – Project Manager SME – Functional or Technical Subject Matter Expert



Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
								schedule data. Consider change control processes that govern modifications to cost and schedule.
Configuration Management								
CM1	Review and evaluate the configuration management (CM) plans and procedures associated with the development process.	Ongoing	X			X	PM	Review DEDs, deliverables and interview key stakeholders. Evaluate tools and techniques used for configuration management.
CM2	Verify that all critical development documents, including but not limited to requirements, design, and code are maintained under an appropriate level of control.	Ongoing		X			PM, SME	Review design and coding documentation, verifying that documentation is cataloged and updated throughout various activities (e.g., unit testing, integration testing, cutover prep).
CM3	If code development is required, verify that the processes and tools are in place to identify code versions and to rebuild system configurations from source code.	One-time		X			SME	Review code development and configuration documentation standards for completeness of functional and technical documentation sufficient to build or rebuild tenants as needed for testing, training, cutover, software updates, or disaster recovery.
CM4	If code development is required, verify that appropriate source code is maintained for training, testing, and production and that formal sign-off procedures are in place for approving work products.	One-time		X		X	SME	Review code development and configuration documentation standards. Interview technical resources to determine policy awareness and adherence to procedures to support tenant management across project activities (e.g., testing, training, production cutover).
CM5	Verify that appropriate processes and tools are in place to manage system changes, including formal logging of change requests and the review, prioritization, and timely scheduling of maintenance actions.	Ongoing		X	X	X	PM, SME	Verify that change management policies have been implemented and validate that logging and approval mechanisms are being used. Interview authorized approvers to ascertain effectiveness of configuration management activities.

Legend: E – Evaluate Ve – Verify Va – Validate I – Interview EP – Engagement Partner PM – Project Manager SME – Functional or Technical Subject Matter Expert



Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
CM6	Verify that mechanisms are in place to prevent unauthorized changes being made to the system and to prevent authorized changes from being made to the wrong version.	One-time		X		X	SME	Review with technical team the controls in place to prevent unauthorized or errant changes. Compare controls to CM policy standards.
CM7	Review the use of CM information (such as the number and type of corrective maintenance actions over time) in project management.	Ongoing	X		X		PM	Review CM logs to determine trajectory of config changes. Note activity levels that appear unusual for current activities of the project phase (e.g., initial config, testing, cutover prep).
Quality Assurance								
QA1	Evaluate and make recommendations on the project's Quality Assurance plans, procedures and organization.	One-time	X		X	X	EP, PM	Review DEDs, deliverables and interview key stakeholders. Evaluate quality assurance approach and coverage. Validate that QA activities are consistent with a program of this scope and scale.
QA2	Verify that the QA function has an appropriate level of independence from project management.	Ongoing	X	X			EP, PM	Consider role of QA function and evaluate factors that might compromise independence (e.g., reporting relationships, family relationships, conflicts of interest). Evaluate other factors indicating independence, such as free access to staff, program reports, and alternative sources of information.
QA3	Verify that the QA function monitors the fidelity of all defined processes in all phases of the project.	Ongoing	X	X			PM, SME	Review QA functions to determine adequacy of coverage in relation to the current project phase and priority of activities within the phase.
QA4	Verify that the quality of all products produce by the project is monitored by formal reviews and signoffs.	Ongoing		X	X		PM, SME	Validate that project outputs are subject to QA reviews and approvals prior to release. Determine that policies address QA review and remediation activities, when necessary.



Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
QA5	Verify that project self-evaluations are performed and that measures are continually taken to improve the process.	Ongoing		X	X		PM	Review self-assessment activities are performed and validate measurements are taken to enable continuous improvement in project activities and outcome.
QA6	Monitor the performance of the QA function by reviewing its processes and reports and performing spot checks of system documentation; assess findings and performance of the processes and reports.	Ongoing	X		X	X	PM, SME	Review QA functions to determine whether QA reporting is indicative of perceived status of the project. Interview governance members and key stakeholders for validation of observed status vs. QA reporting.
Organization Change Management								
OC1	Review and make recommendations on the change management project plan provided by vendors.	One-time	X		X	X	EP, PM PM	Review DEDs, deliverables and interview key stakeholders. Initial evaluation of change management strategy. Ongoing evaluation of tools and techniques used to manage change efforts.
OC2	Evaluate and provide recommendations about the effectiveness of change management efforts.	Ongoing	X		X	X	PM, SME	Monitor execution of change management plans, review progress along readiness curve, and interview State project team members, stakeholders, and end users to validate effectiveness of efforts.
OC3	Review and provide feedback on Change Management Strategy and management Plan, stakeholder analysis report, change management assessment, communication strategy / plan and other documents created by vendors.	One-time	X		X		PM	Review DEDs, deliverables and interview key stakeholders. Evaluate tools and techniques used to monitor change efforts (e.g., change impact logs, communications channels/frequency, readiness surveys).
OC4	Review and provide feedback on lessons learned report developed during each wave of the project.	One-time		X	X	X	EP, PM, SME	Review documented lessons learned log, risk, issues, and mitigations encountered during each wave. Interview sponsors, stakeholders, or key project staff for ideas to improve subsequent waves of the project.
Training								

Legend: E – Evaluate Ve – Verify Va – Validate I – Interview EP – Engagement Partner PM – Project Manager SME – Functional or Technical Subject Matter Expert



Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
TR1	Review and make recommendations on the training provided to system users. Verify sufficient knowledge transfer for maintenance and operation of the new system.	Ongoing	X	X	X	X	PM	Review DEDs, deliverables and interview key stakeholders. Evaluate training plans, course catalog, and training delivery approach. Review training surveys and make recommendations for improvement.
TR2	Verify that training for users is instructor-led and hands-on and is directly related to the business process and required job skills.	One-time		X			PM	Verify that course materials and exercises are related to business processes and that training is targeted to appropriate job roles.
TR3	Verify that user-friendly training materials and help desk services are easily available to all users.	Ongoing		X			PM, SME	Review training materials for ease of understanding and illustrative exercises. Verify that training materials and access to help facilities have been maintained and communicated to end users.
TR4	Verify that all necessary policy and process and documentation are easily available to users.	Ongoing		X			PM, SME	Verify that policy and procedure documents have been updated to reflect revised business processes and availability of documentation has been communicated to users.
TR5	Verify that all training is given on-time and is evaluated and monitored for effectiveness, with additional training provided, as needed.	Ongoing		X	X		PM, SME	Verify timeliness of training activities applicable to each project phase. Validate that training has been delivered to end users based on future job roles. Monitor training surveys and feedback to assess effectiveness and identify lessons learned.
Requirements Management								
RQ1	Evaluate and make recommendations on the project's process and procedures for managing requirements.	One-time	X		X		EP, PM	Review DEDs and deliverables relating to requirements management. Make recommendations for improvements.
RQ2	Verify that system requirements are well-defined, understood and documented.	Ongoing		X		X	PM, SME	Verify that requirements have been subject to adequate stakeholder reviews and validations.



Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
RQ3	Evaluate the allocation of system requirements to hardware, security and software requirements.	One-time	X				PM, SME	Evaluate appropriate representation of functional and technical requirements to meet State performance and security requirements.
RQ4	Verify that software requirements can be traced through design, code and test phases to verify that the system performs as intended and contains no unnecessary software elements.	One-time		X	X		PM, SME	Review requirements traceability matrix. Verify that requirement can be mapped to design documents, coding/config requirements, and reflected in system test plans.
RQ5	Verify that requirements are under formal configuration control.	Ongoing		X			PM	Review requirement management policies and supported in detailed configuration document.
Security Requirements								
SR1	Evaluate and make recommendations on project policies and procedures for ensuring that the system is secure, and that the privacy of client data is maintained.	Ongoing	X		X	X	PM, SME	Review project deliverables for security and data privacy impacts. Validate that the project is applying required standards. Interview information security and data privacy/retention personnel.
SR2	Evaluate the project's restrictions on system and data access.	Ongoing	X				SME	Evaluate project limitations on data access during testing and conversion cutover.
SR3	Evaluate the project's security and risk analysis.	Ongoing	X		X		PM, SME	Review security-related deliverables. Validate processes to identify security risks and monitor associated risks identified by the State and SI vendor.
SR4	Verify that processes and equipment are in place to back-up client and project data and files and archive them safely at appropriate intervals.	Ongoing		X	X		SME	Verify inclusion of back-up and recovery procedures applicable to the non-production (i.e., project) and production environments.
Requirements Analysis								
RA1	Verify that an analysis of State's needs and objectives has been performed to verify that requirements of the system	One-time	X	X		X	EP, PM, SME	Verify that requirements have been subject to adequate stakeholder reviews and validations.



Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
	are well understood, well defined, and satisfy federal and state-local regulations.							
RA2	Verify that stakeholders have been consulted to the desired functionality of the system, and that users have been involved in prototyping of the system.	One-time		X	X	X	PM, SME	Verify that requirements have been subject to adequate stakeholder reviews and validations.
RA3	Verify that stakeholders have bought-in to all changes which impact project objectives, cost, or schedule.	Ongoing		X		X	PM, SME	Verify that changes to requirements have been approved by stakeholder groups and documented in requirements traceability matrix.
RA4	Verify that performance requirements (e.g., timing, response time and throughput) satisfy user needs.	One-time		X		X	PM, SME	Verify that performance requirements have been subject to adequate stakeholder reviews and validations.
Interface Requirements								
IR1	Verify that system interfaces are exactly described, by function, including input/output data format and frequency.	One-time		X	X		PM, SME	Review interface strategy documents. Verify that design standards or followed to identify input/output, timing, data standards, etc. Validate that designs address interface functional objectives.
IR2	Verify those approved interface documents are available and that appropriate relationships (such as interface working groups) are in place with all agencies and organizations supporting the interfaces.	Ongoing		X	X		PM, SME	Verify that interface documentation is available to working groups. Validate that the project supports agency interactions for testing, documentation, and maintenance of interfaces.
Design Documentation								
DD1	Evaluate the design deliverables for adherence to the project design methodology and standards.	Ongoing	X				PM	Review requirements traceability matrix. Verify that requirement can be mapped to design documents, coding/config requirements, and reflected in system test plans.
DD2	Evaluate the design and analysis process used to develop the design and make recommendations for	Ongoing	X		X		PM, SME	Review design standards and documentation templates to support the



Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
	improvements. Evaluate design standards, methodology and tools used and make recommendations.							technical development process. Validate that methodology and tools are being used.
DD3	Verify that requirements listed in the design documents can be traced back to system requirements.	One-time		X			SME	Review requirements traceability matrix.
DD4	Verify that all design products are under configuration control and formally approved.	One-time		X			SME	Review development approval processes and verify that change control standards require formal approvals.
DD5	Evaluate batch jobs for appropriate scheduling, timing and internal and external dependencies.	One-time	X		X		SME	Review batch tools and activities to identify scheduling priorities and dependencies.
Code Documentation								
CD1	Evaluate Code documentation quality, completeness and accessibility and make recommendation.	One-time	X		X		PM, SME	Review code documentation standards. Evaluate review processes to determine quality and completeness for initial documentation and updates. Recommendations will be shared in monthly IV&V reports and in lessons learned.
CD2	Evaluate the coding standards and guidelines and the projects compliance with these standards and guidelines and make recommendation.	On-time	X		X		SME	Review code development standards/guidelines. Evaluate code review processes to determine quality and completeness for initial development, code changes, and revisions. Recommendations will be shared in monthly IV&V reports and in lessons learned.
CD3	Verify that developed code is kept under appropriate configuration control and is easily accessible by developers.	Ongoing		X			SME	Review code development and change control deliverables and/or policies and procedures. Verify that software change control is being applied for both code and configuration changes.
CD4	Evaluate the project's use of software metrics in management and quality assurance.	Ongoing	X				PM	Evaluate use of software metrics in project management (e.g., measurement of percentage complete, resource loading) and



Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
								for measuring quality of code developed (e.g., error rates).
Unit Testing								
UT1	Evaluate the plans, requirements, environment, tools, and procedures used for unit testing system modules.	One-time	X			X	EP, PM	Review DEDs and unit test plan deliverables. Interview testing leads and project team to measure understanding of testing approach and use of available tools.
UT2	Evaluate the level of test automation and provide recommendations.	One-time	X		X		PM	Review plans for automation to supplement the testing process. Validate understanding and use of automation tools and recommend areas where automation can be further leveraged in testing.
UT3	Verify that the test process achieves an appropriate level of test coverage, that test results are verified, that the correct code configuration has been tested, and that the tests are appropriately documented.	Ongoing	X	X	X		SME	Review unit testing deliverables. Evaluate unit test coverage appropriate for code and configuration elements. Verify that test plans and procedures are being followed by SI and State teams, and validate that test results are documented, and that errors are logged and tracked to resolution.
System Integration Testing								
SI1	Evaluate the plans, requirements, environment, tools, and procedures used for integration testing of system modules.	One-time	X			X	EP, PM	Review DEDs and system integration test plan deliverables. Interview testing leads and project team to measure understanding of testing approach and use of available tools.
SI2	Evaluate the level of automation and the availability of the system test environment.	One-time	X		X		PM	Review plans for automation to supplement the testing process. Validate timely availability of testing environments to support test planning and execution.
SI3	Verify that the test process achieves an appropriate level of test coverage, that test results are verified, that the correct code configuration has been tested, and that the	Ongoing	X	X	X		SME	Review integration testing deliverables. Evaluate planned test coverage appropriate for each phase of the project. Verify that



Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
	tests are appropriately documented, including formal logging of errors found in testing.							test plans and procedures are being followed by SI and State teams, and validate that test results are documented, and that errors are logged and tracked to resolution.
SI4	Verify that the test organization has an appropriate level of independence from the development organization.	Ongoing	X	X			EP, PM	Consider role of the testing organization and evaluate factors that might compromise independence (e.g., reporting relationships, family relationships, conflicts of interest). Evaluate other factors indicating independence, such as ability to direct testing plans and retest as needed.
SI5	Evaluate project plans for each implementation to ensure that deliverables and critical paths are aligned to meet each project major deadlines and milestones.	Ongoing	X				PM	Participation in weekly project status meetings and workplan reviews. Review deliverable production against schedule in statement of work and alignment to milestone on critical path.
Interface Testing								
IT1	Evaluate interface testing plans and procedures for compliance with industry standards.	One-time	X		X		PM, SME	Review test plan deliverables for content relating to interface testing. Validate interface testing procedures are planned and scheduled in accordance with standard ERP implementation practices. Evaluate requirements for validation of interface test results and error correction procedures.
Acceptance and Turnover								
AT1	Acceptance procedures and acceptance criteria for each product must be defined, reviewed, and approved prior to test and the results of the test must be documented. Acceptance procedures must also address the process by which any software product that does not pass acceptance testing will be corrected.	One-time	X		X		EP, PM	Initial acceptance procedures will be considered at project initiation. Applicability of acceptance procedures will be revisited, as needed, to consider specific acceptance criteria.



Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
AT2	Verify that appropriate acceptance testing based on the defined acceptance criteria is performed satisfactorily before acceptance of software products.	Ongoing		X	X		SME	Verify that acceptance criteria are appropriate for subject matter. Validate that testing activities and outcomes support acceptance of the software.
AT3	Verify that the acceptance test organization has an appropriate level of independence from the contractor.	Ongoing	X	X			EP, PM	Consider role of the testing organization and evaluate factors that might compromise independence (e.g., reporting relationships, family relationships, conflicts of interest). Evaluate other factors indicating independence, such as ability to direct testing plans and retest as needed.
AT4	Verify that training in using the contractor-supplied software is ongoing throughout the development process, especially if the software is to be turned over to the State's staff for operation.	Ongoing	X	X			PM	Evaluate ongoing knowledge transfer activities and verify that activities appear sufficient to enable State support of ongoing operations post go-live.
AT5	Review and evaluate testing implementation plan.	One-time	X				EP, PM	Evaluate implementation testing plans and determine sufficiency of testing to support go/no-go decisions.
AT6	Review the Go/No-Go criteria prepared by the contractor and suggest changes if necessary.	One-time	X			X	PM	Evaluate criteria planned for go/no-go decisions. Recommend additional evaluation criteria.
Data Conversion								
DC1	Evaluate the proposed plans, procedures and software for data conversion.	Ongoing	X				PM	Review DEDs and deliverables for conversion plans and status reports of progress and issues encountered.
DC2	Verify that procedures are in place and are being followed to review the completed data for completeness and accuracy and to perform data cleanup as required.	One-time		X	X		SME	Review conversion development and testing procedures to ensure that data validation and reconciliation tools (e.g., reports, record counts, hash totals) support accuracy of data to be converted into production.



Task #	Task Description	Type	Method				Resource	Approach
			E	Ve	Va	I		
DC3	Determine conversion error rates and if the error rates are manageable.	Ongoing	X		X		SME	Review conversion test plans and conversion results to validate that conversions can occur with reasonable accuracy and be reconciled within the timeframes available for cutover.
DC4	Provide recommendations on making the conversion process more efficient and on maintaining the integrity of data during the conversion.	Ongoing	X		X	X	EP, PM	Review conversion plan and monitor development and testing of conversion routines. Evaluate procedures for proper timing of conversions in cutover processing and validate procedures are in place for to reconcile converted data moving into production. Interview conversion leads and State agency participants for conversion lessons learned and process improvement ideas.



17.5. Exhibit #5 Bidder Exhibit Checklist

A complete list of required Exhibits is provided below. Bidders must check each box for each Exhibit provided. Bidders must submit this form and all Exhibits as part of Exhibit N to the RFP response.

RFP 2703-23: All pages dated and initialed (including addendums)	Have completed and attached	<input checked="" type="checkbox"/>
Appendix B: State of New Hampshire Transmittal Letter	Have completed and attached	<input checked="" type="checkbox"/>
Exhibit 1: Bidder total projected cost factors	Have completed and attached	<input checked="" type="checkbox"/>
Exhibit 2: Questionnaire	Have completed and attached	<input checked="" type="checkbox"/>
Exhibit 3: Audited Financial Statements	Have completed and attached	<input checked="" type="checkbox"/>
Exhibit 4: IV&V Project Plan	Have completed and attached	<input checked="" type="checkbox"/>
Certificate of Insurance	Have completed and attached	<input checked="" type="checkbox"/>
State of New Hampshire Certificate of Good Standing	Have completed and attached	<input checked="" type="checkbox"/>
Certificate of Authority	Have completed and attached	<input checked="" type="checkbox"/>



17.6. Certificate of Insurance

		CERTIFICATE OF LIABILITY INSURANCE			DATE MM/DD/YYYY 7/14/2023	
THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.						
IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).						
PRODUCER Cadence Insurance 1333 West Loop South, Suite 1000 Houston TX 77027				CONTACT NAME: Heather Rochow PHONE (A/C, No. Ext): 713-622-2330 FAX (A/C, No.): 713-622-2053 E-MAIL ADDRESS: heather.rochow@cadenceinsurance.com		
INSURED Information Services Group, Inc. 2167 Atlantic Street, 8th Floor Stamford CT 06902				INSURER(S) AFFORDING COVERAGE		
				INSURER A: Insurance Company of State of PA 19429		
				INSURER B: Great Northern Insurance Company 20303		
				INSURER C: Federal Insurance Company 20281		
				INSURER D: Chubb National Insurance Company 10052		
				INSURER E: Starr Surplus Lines Insurance Company 13804		
				INSURER F:		
COVERAGES CERTIFICATE NUMBER: 1734831618 REVISION NUMBER:						
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.						
INSR. LTR.	TYPE OF INSURANCE	ADOL. SUBR. (REQ. WORD)	POLICY NUMBER	POLICY EFF. (MM/DD/YYYY)	POLICY EXP. (MM/DD/YYYY)	LIMITS
D	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> GEN'L AGGREGATE LIMIT APPLIES PERC: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:		D98192190	7/14/2023	7/14/2024	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000
B	<input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> MIXED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY		73629015	7/14/2023	7/14/2024	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> RETENTION \$ 0	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE	76196992	7/14/2023	7/14/2024	EACH OCCURRENCE \$20,000,000 AGGREGATE \$20,000,000
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in MN) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/> N/A	71835807	7/14/2023	7/14/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
E	CyberTech E&O/Prof E&C Foreign Package		1000634671221 WS11010450	7/14/2023 7/14/2023	7/14/2024 7/14/2024	Each Occ/Aggregate 7,000,000 See Limits Below
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) Cyber/Tech E&O/Professional E&O / AIG Specialty Insurance Co / Policy No. 013354294 / 7/14/2023 to 7/14/2024 Each Occurrence Limit \$3,000,000 Aggregate Limit \$3,000,000 Cyber/Tech E&O/Professional E&O / STARR Surplus Lines Insurance Co / Policy No. 1000634671231 / 7/14/2023 to 7/14/2024 Each Occurrence Limit \$2,000,000 Aggregate Limit \$2,000,000 See Attached...						
CERTIFICATE HOLDER SAMPLE - FOR BID PURPOSES ONLY				CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 		
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ACORD 25 (2016/03)		The ACORD name and logo are registered marks of ACORD				



AGENCY CUSTOMER ID: INFOSER-01

LOC #: _____



ADDITIONAL REMARKS SCHEDULE

Page 1 of 2

AGENCY Cadence Insurance		NAMED INSURED Information Services Group, Inc. 2187 Atlantic Street, 8th Floor Stamford CT 06002	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM.

FORM NUMBER: 25 **FORM TITLE:** CERTIFICATE OF LIABILITY INSURANCE

Policy sits excess over primary policy #013354284

Cyber/Tech E&O/Professional E&O / Crum & Forster / Policy No. EOL240849 / 7/14/2023 to 7/14/2024
 Each Occurrence Limit \$2,000,000
 Aggregate Limit \$2,000,000
 Policy sits excess over primary policy #013354284 & #1000634671231

Commercial Crime/National Union Fire/Policy No. 024150630/ 1/30/2023 to 1/30/2024
 Employee Dishonesty - Blanket - \$1,000,000 - \$25,000
 Theft, Disappearance & Destruction - \$1,000,000 - \$25,000
 Forgery or Alteration - \$1,000,000 - \$25,000
 Client's Coverage - Third Party - \$1,000,000 - \$25,000

FOREIGN PACKAGE Insurance Company of State of PA / 7/14/2023 - 7/14/2024
 Policy #WS11010450

General Liability
 General Aggregate: \$4,000,000
 Products-Completed Operations Aggregate: \$4,000,000
 Personal & Advertising Injury: \$1,000,000
 Each Occurrence: \$1,000,000
 Damage to Rented Premises (Any One Premises): \$1,000,000
 Medical Expense (Each Person): \$25,000

Foreign Business Auto & Physical Damage
 Combined Single Limit: \$1,000,000
 Medical Payments Each Accident: \$50,000
 Hired/Non-Owned Physical Damage Aggregate: \$50,000/ Any one Accident: \$50,000
 Deductible: \$1,000

Foreign Voluntary Compensation and Employers Liability
 Executive Medical Assistance Services: \$1,000,000 Policy Limit - anywhere in the world w/n the coverage territory
 Limit Of Liability for Part One - Supplemental Repatriation Expense: \$1,000,000 Per Person

Foreign Travel Accident & Sickness
 Accident Death & Dismemberment Benefits (Principal Sum): \$100,000
 Non-Occupational Employee Medical Expense (Principal Sum): \$10,000
 Includes North American Employees; Employees other than North American, Eligible Spouse and Eligible Children

Foreign Commercial Property
 Any one occurrence: \$100,000 - Coverage A-D any one occurrence All Perils except as otherwise Shown
 Locations covered - France
 All coverages shown are subject to the Terms, Conditions and Exclusions of the policies.

Foreign General Liability policy includes a blanket vendors additional insured endorsement when required by written contract but in no event shall such coverage exceed the limits, terms and conditions of the policy.

General liability policy includes a blanket additional insured endorsement when required by written contract but only with respect to liability arising out of a named insured's work for additional insured including Products/Completed Operations coverage and in no way will the additional insured status exceed the limits, terms or conditions of the policy. Primary & Non-Contributory wording is included when required by written contract, but only with respect to coverage provided by this policy.

Auto liability policy includes a blanket additional insured endorsement when required by written contract but only with respect to the legal responsibility for acts or omissions of a person for whom liability coverage is afforded under this policy but in no event shall such coverage exceed the limits, terms or conditions of the policy. Primary & Non-Contributory wording is included when required by written contract, but only with respect to coverage provided by this policy.

General Liability, Auto Liability and Workers Compensation policies include a blanket waiver of subrogation when required by written contract but in no event shall such coverage exceed the limits, terms or conditions of the policy.

Excess/Umbrella Liability policy follows form of the Underlying policies, General Liability, Auto Liability and Workers Compensation, but not for broader coverage than would be afforded by such Scheduled Underlying Insurance.

All coverages shown are subject to the Terms, Conditions and Exclusions of the policies.

Named Insureds:

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AGENCY CUSTOMER ID: INFOSER-01

LOC #: _____



ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY Cadence Insurance		NAMED INSURED Information Services Group, Inc. 2187 Atlantic Street, 8th Floor Stamford CT 06902	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM.

FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Information Services Group, Inc.
 International Advisory Holdings Corp.
 International Consulting Acquisition Corp. (ICAC)
 ISG Information Services Group Americas, Inc.
 ISG Information Services Group Americas, Inc. Australia Branch
 ISG Information Services Group Americas, Inc. Hong Kong Branch
 ISG Information Services Group Americas, Inc. Philippines Branch
 ISG Information Services Group Americas, Inc. Singapore Branch
 ISG Information Services Group Americas, Inc. Thailand Branch
 TPI Advisory Services India Private Ltd
 TPI EuroSourcing, LLC
 TPI EuroSourcing, LLC - UK Branch
 ISG Servicios Informativos, S. de R.L. de C.V.
 Information Services Group Netherlands B.V.
 TPI Advisory Services Hong Kong Limited
 TPI Sourcing Consultants Canada Corp.
 Technology Partners International K.K. (Japan)
 Information Services Group Switzerland GmbH
 CCGH Ltd.
 Information Services Group Sweden AB
 Compass Management Consulting Ltd. (Canada)
 ISG Information Services Group France S.A.
 Information Services Group Europe Limited
 ISG Group Services Limited
 Information SG (Finland) OY
 Information Services Group Germany GMBH
 Information Services Group Germany GMBH (Austria Branch)
 Information Services Group Italia S.p.A.
 Alsbriidge Inc.
 Alsbriidge Holdings Inc.
 Information Services Group Automation Germany GmbH
 Information Services Group Denmark A.p.s.
 Alsbriidge Limited (England & Wales)
 Alsbriidge Advisory Pvt. Ltd. (India)
 Alsbriidge Canada Inc.
 Alsbriidge ANZ PTY Ltd. (Australia)
 Information Services Group Europe Limited (Ireland Branch)

ACORD 101 (2008/01)

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17.7. State of New Hampshire Certificate of Good Standing

**State of New Hampshire
Department of State**

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that INTERNATIONAL CONSULTING ACQUISITION CORP. is a Delaware Profit Corporation registered to do business in New Hampshire as ISG PUBLIC SECTOR on December 18, 2014. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 718969

Certificate Number: 0006283619



IN TESTIMONY WHEREOF,


I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 20th day of July A.D. 2023.



David M. Scanlan
Secretary of State



17.8. Certificate of Authority

	Filed Date Filed: 12/19/2014 Business ID: 718966 William M. Gardner Secretary of State
<h2 style="margin: 0;">State of New Hampshire</h2>	
Filing fee: \$50.00 Fee for Form SRA: \$50.00 Total fees \$100.00 Use black print or type.	Form 40 RSA 293-A:15.03
APPLICATION FOR CERTIFICATE OF AUTHORITY FOR PROFIT FOREIGN CORPORATION	
PURSUANT TO THE PROVISIONS of the New Hampshire Business Corporation Act, the undersigned corporation hereby applies for a certificate of authority to transact business in New Hampshire and for that purpose submits the following statement:	
FIRST: The name of the corporation is <u>International Consulting Acquisition Corp.</u>	
SECOND: The name which it elects to use in New Hampshire is <u>ISG Public Sector</u>	
THIRD: It is incorporated under the laws of <u>Delaware</u>	
FOURTH: The date of its incorporation is <u>April 20, 2007</u> and the period of its duration is <u>perpetual</u>	
FIFTH: The complete address (including zip code and post office box, if any) of its principal office is <u>Two Stamford Plaza, 281 Tresser Boulevard, Stamford, CT 06901</u>	
SIXTH: The name of its registered agent IN NEW HAMPSHIRE is <u>Corporation Service Company d/b/a Lawyers Incorporating Service</u> and the complete address (including zip code and post office box, if any) of its registered office IN NEW HAMPSHIRE is (agent's business address) <u>14 Centre Street, Concord, New Hampshire 03301</u>	
SEVENTH: The sale or offer for sale of any ownership interests in this business will comply with the requirements of the New Hampshire Uniform Securities Act (RSA 421-B).	
EIGHTH: The principal purpose or purposes which it proposes to pursue in the transaction of business in New Hampshire are <u>Assisting public sector clients in acquisitions, implementation and maintaining information systems.</u>	
State of New Hampshire Form 40 - Application for Certificate of Authority 4 Page(s)	
 T1435345028	
Page 1 of 2	
Form 40 Page 1	



APPLICATION FOR CERTIFICATE OF AUTHORITY

Form 40
 (Cont.)

NINTH: The names and usual business addresses of its current officers and directors are: (If there are additional officers or directors, attach additional sheet OR if the laws of the state of incorporation do not require directors, indicate below.)

<u>Name</u>	<u>Title</u>	<u>Address</u>
<u>OFFICERS</u>		
<u>David Berger</u>	<u>President / Secretary</u>	<u>Two Stamford Plaza, 281 Tresser Blvd., Stamford, CT 06901</u>
<u>Randy Scheller</u>	<u>Vice President Secretary</u>	<u>Two Stamford Plaza, 281 Tresser Blvd., Stamford, CT 06901</u>
_____	_____	_____
<u>DIRECTORS</u>		
<u>David Berger</u>	<u>Director</u>	<u>Two Stamford Plaza, 281 Tresser Blvd., Stamford, CT 06901</u>
<u>Randy Scheller</u>	<u>Director</u>	<u>Two Stamford Plaza, 281 Tresser Blvd., Stamford, CT 06901</u>
_____	_____	_____

International Consulting Acquisition Corp.
(Corporate Name)
Randy Scheller
(Signature)
Randy Scheller
(Print or type name)
Vice President
(Title)

Date signed: December 9, 2014

To receive your ANNUAL REPORT REMINDER NOTICE by email, please enter your email address here:
Legal@isg-one.com

DISCLAIMER: All documents filed with the Corporation Division become public records and will be available for public inspection in either tangible or electronic form.

Mail fees. **DATED AND SIGNED ORIGINAL AND FORM SRA** to: Corporation Division, Department of State, 107 North Main Street, Concord, NH 03301-4989. Physical location: 25 Capitol Street, 3rd Floor, Concord, NH 03301.



17.9. RFP 2703-23: All pages dated and initialed

Provided on the following pages is ISG's signed RFP 2703-23



**NEW HAMPSHIRE DEPARTMENT OF ADMINISTRATIVE
SERVICES DIVISION OF PROCUREMENT AND SUPPORT
SERVICES**

**REQUEST FOR PROPOSAL FOR INDEPENDENT VERIFICATION & VALIDATION
SERVICES OF ENTERPRISE RESOURCE PLANNING IMPLEMENTATION
RFP # 2703-23**

DUE DATE: August 11th at 10:00 AM (EST)



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**REQUEST FOR PROPOSAL FOR INDEPENDENT VERIFICATION & VALIDATION SERVICES
OF ENTERPRISE RESOURCE PLANNING IMPLEMENTATION**

SECTION I: INTRODUCTION

1. OBJECTIVE

- 1.1. The Department of Administrative Services (DAS) is seeking Independent Verification and Validation (IV&V) services of its Enterprise Resource Planning System (ERP) implementation as defined in this Request for Proposal (RFP) document. The State's INFOR CloudSuite Financial & Supply Management implementation will ensure best practices are applied and followed throughout the life of the project. The IV&V RFP will be posted and can be accessed at <https://apps.das.nh.gov/bidscontracts/bids.aspx>.

2. BACKGROUND

- 2.1. The DAS is focused on the development, delivery, and maintenance of centralized government systems that sustainably support the financial, technological, human resource, environmental and infrastructure health of state government for the benefit of the public and our fellow state Agencies and employees. The DAS oversees all aspects of the civil service system and employee training and benefits. The DAS also oversees all aspects of, including but not limited to, Human Resources, Financials, Benefits, public improvements, maintenance of state-owned buildings and grounds, procurement, and fleet management.
- 2.2. The DAS employs more than 351 employees that support the delivery of these functions. For more information, please visit NH Dept. of Administrative Services.
- 2.3. Infor has been selected and contracted as the System Integrator for the ERP modernization project. The Project will support Absence Management, Benefits, Compensation, Human Capital Management Core, Recruiting, U.S. Payroll, Financials, Budgeting, and Time Tracking for approximately 13,000 full-time employees working across 3 branches of government and 3 constitutional offices in hundreds of locations statewide.
- 2.4. The services under this RFP will provide the DAS with IV&V services for the new ERP by reviewing and monitoring the system design, development, and implementation work to be completed by Infor. The expected timeline is 14 months to go live.
- 2.4.1. ERP Implementation project:
- 2.4.1.1. Our Current environment consists of Public Sector (Infor/Lawson on premise ERP)
- 2.4.1.1.1. S3 v10 Financial Management
- 2.4.1.1.2. S3 v10 Supply Chain Management
- 2.4.1.1.3. S3 v10 Human Resource Management/Payroll
- 2.4.1.1.4. Infor Human Capital Management (HCM) Global HR
- 2.4.2. These production systems and database(s) will be migrated from an existing Infor v10 production environment to Infor CloudSuite Public Sector as:
- 2.4.2.1. Infor Financials and Supply Management (FSM) (multi-tenant)

2.4.2.2. Infor Human Capital Management (HCM) Global HR and Payroll (multi-tenant)

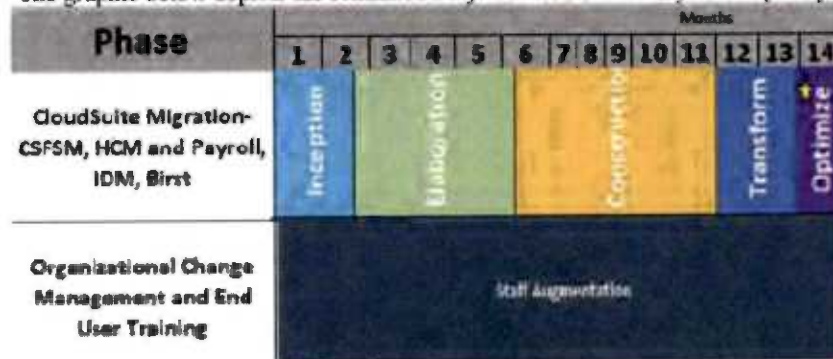
2.4.2.3. Infor Workforce Management scope: deployed to every state agency

2.4.3. Proposed ERP implementation duration for modules in scope:

2.4.3.1. The estimated duration for each Project wave/rollout is as follows:

Project Wave/Rollout	Project Wave/Rollout Description	Duration
Project Wave: ERP	Migrate Financials, Supply Management, HCM and Payroll, Infor Document Management and Birst	14 Months plus 1 Month post go-live Support

The graphic below depicts the estimated Project timeline with key tasks by Project wave.



Project Schedule and Timeline Assumptions and Obligations:

2.4.4. This Work Order assumes a Project start date for each Project wave to be mutually agreed upon by Infor and the state. Any delay of the start date impacts the availability of Project resources, the final production Go-Live date, and requires further discussion to agree on the revised Project timeline that shall not exceed 14 months. "Go-Live" means the first time the state uses the Software to process data in state's live production environment.

2.4.5. At the beginning of each Project wave, the state and Infor will meet to agree upon the activities required to accomplish the objectives of that Project wave and develop a Project plan, schedule, and final Project timeline. The selected vendor shall comply with these timelines.

3. SCOPE OF WORK AND REQUIREMENTS

3.1. The selected vendor will provide IV&V services throughout the Project. IV&V services include independent, timely analysis and feedback to the project's governance oversight, and other groups as mutually agreed based on vendors experience with similar projects. The vendor will provide these services as defined below during an anticipated 14-month period beginning in September 2023. Throughout the project, vendor will review Infor's work products for quality, accuracy, completeness, data migrations and adherence to contractual and functional/technical requirements. The vendor's written review and report will identify schedule delays, cost and technical inconsistencies, errors, and/or other issues that may present a risk(s) to the project and will recommend acceptance or rejection of deliverables based upon the above criteria (e.g., quality, accuracy, completeness, and adherence to requirements).



- 3.2. The vendor will conduct IV&V in parallel with program activities and will include independent evaluation to validate that the systems are likely to perform required business functions at the correct time in each wave of the project's life cycle. To complete these tasks, the vendor will establish and document a set of IV&V guidelines that will be utilized to validate implementation compliance with user, contract, program, and functional requirements.
- 3.3. The vendor shall establish the health assessment methodology.
- 3.4. The vendor in collaboration with the State and Infor shall develop a list of metrics to define how project health will be assessed on this project. A report card will be created to present the metrics.
- 3.5. The vendor shall meet with the State and Infor to understand how the ERP project is being managed in the areas of cost, schedule, scope, risks/issues, project quality, stakeholder satisfaction, stakeholder engagement, and project management.
- 3.6. The vendor shall develop an information request sheet for the purpose of requesting information from Infor if needed to complete health assessments.
- 3.7. The vendor shall review project documentation.
- 3.8. The vendor shall develop an "initial draft" report card and recommended assessment process.
- 3.9. The vendor shall meet with governance oversight for internal review and feedback prior to further distribution.
- 3.10. The vendor shall finalize the project health assessment report card and process.
- 3.11. Once the methodology has been established to the satisfaction of the State, the vendor shall conduct health assessments at intervals approved by the State. The vendor shall conduct each health assessment using the following sequence of steps:
- 3.12. The vendor shall conduct on-site fact-finding and update governance oversight with findings and recommendations.
- 3.13. The vendor shall do such other services as may be reasonably necessary to perform the Periodic Health Assessments, if requested and approved by the State in writing in advance.
 - 3.13.1. All time estimates may be adjusted up or down in the State's discretion as the situation necessitates. The final list of tasks and responsibilities will be mutually agreed during the negotiation and contracting phases/waves of the RFP cycle.
- 3.14. Independent Verification Services
 - 3.14.1. The vendor will provide independent verification of deliverables pertaining to all phases/waves of the ERP implementation project. These services will be derived from industry best practices and established quality control principles, and all verification artifacts will be based on the approved, allocated and prioritized requirements for the solution. In general, the vendor's verification services will include:
 - 3.14.2. Development and implementation of an IV&V Management Plan documenting the objectives, scope, approach, standards and procedures, tool, etc., to be used in the verification effort;
 - 3.14.2.1. Ongoing observation and assessment of project activities;
 - 3.14.2.2. Review of key Project deliverables;
 - 3.14.2.3. Administration activities and tasks in support of the verification effort.
- 3.15. Independent Validation Services

3.15.1. The vendor will also provide validation support services to confirm that business requirements, issues, and risks have been satisfactorily addressed in accordance with best practices. The validation services aim to confirm the new Infor ERP solution implemented by Infor meets the defined business needs of the State and that necessary training, policy, process, and procedural changes have been defined and implemented according to the contract and work plan between the State and Infor. In general, the vendor's validation services include:

3.15.1.1. Providing independent, objective guidance and expertise to increase Project success and lower implementation risks.

3.15.1.2. Offering perspective and recommendations on the health of the ERP Implementation Project from an experienced, neutral third party to improve the management of the solution in accordance with practices that reduce risk and support achievement of the stated Project objectives;

3.15.1.2.1. Communicate lessons learned from other implementation and redesign experiences to limit rework;

3.15.1.2.2. Provide recommendations on a revised course of action to limit the impact of potential issues and risks.

3.15.2. The Vendor shall provide all services and deliverables as required, described, and detailed by this Request for Proposal ("RFP") and shall meet all service and delivery timelines. The vendor shall establish a project schedule with delivery timelines within 30 days of the date of the contract award and such schedule shall directly correspond to the state's agreed upon timeline with Infor

3.15.3. Tasks shall include, but are not limited to, the following detailed activities and tasks typical of standard IV&V projects. State and Vendor will mutually agree on the final list of tasks and responsibilities relevant to the ERP implementation during the negotiation and contracting RFP Phase:

3.15.4. General Consulting Requirements:

3.15.5. Actively participate in any project start/kickoff meeting with the State and Infor.

3.15.6. Perform recurring verification, validation, and reporting efforts monthly and for each end of phase/wave as defined by the project schedule.

3.15.7. Review and ensure that best practices are followed and that where deviation from defined best practices occurs, it is justified based on valid and verified cause (i.e., best practice does not meet standards, requirements, statutory and/or branch autonomy)

3.15.8. Verify and validate that best practices and processes are being utilized by Infor to achieve results that are in the best interest of the ERP project.

3.15.9. Provide comments and observations during the implementation of the ERP project with specific recommendations for the governance oversight of the project to consider.

3.15.10. Apply Quality Management Approach and Standards (both process and product standards) to include Quality Planning, Quality Control, Quality Assurance, and Risk Management throughout the lifecycle of the project.

3.15.11. The following table 3.15.11.1 contains a nonexclusive list of tasks to be performed

3.15.11.1. Project Management

Task #	Task Description
PM1	Evaluate the project management plans and procedures to verify that they are developed, communicated, implemented, monitored, and completed.
PM2	Initial evaluation of project reporting plan, meeting cadence and actual project reports to verify project status is accurately tracked using project metrics.
PM3	Verify milestones and completion dates are planned, monitored, and met.
PM4	Verify the existence and communication of an appropriate project issue tracking mechanism that documents issues as they arise, enables communication of issues to proper stakeholders, documents a mitigation strategy, as appropriate, and tracks the issue to closure. This should include but is not limited to technical and development efforts.
PM5	Reviews should include, but are not limited to the following: <ul style="list-style-type: none"> • Project Charter, • Project Schedule, • Project Scope by workstream, • Communication plan, • Data migration and validation Plan, • Testing Plan, • Organizational Change Management Plan • Training Plan, (Including LMS & User Adoption Platform (UAP) tools) • Staffing Plan, • Project Reporting Plan • Interface Plan • Conversion Plan, • Acceptance & Hand Over Plan

3.15.11.2. Risk Management

Task #	Task Description
RM1	Evaluate the project's risk management plans and procedures to verify that risks are identified and quantified and that mitigation plans are developed, communicated, implemented, monitored, and completed.
RM2	Interview stakeholders to identify additional risks and work with project team to identify risk mitigation strategy.

RM3	Develop and maintain an independent risk management log for each project of risks identified by IV&V not identified by the Implementation, Organizational Change Management(OCM), and Training teams.
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3.15.11.3. Project Estimating and Scheduling

Task #	Task Description
PE1	Evaluate and make recommendations on the estimating and scheduling process of the project to ensure that the project budget and resources are adequate for the work breakdown structure and schedule.
PE2	Review schedules to verify that adequate time and resources are assigned for planning, development, review, testing and rework, and final deployment readiness.

3.15.11.4. Project Staffing

Task #	Task Description
PS1	Verify that the project's organizational structure supports training, process definition, independent Quality Assurance, Configuration Management, product evaluation, Change Management, and any other functions critical for the project's success.
PS2	Verify that the obligations of Infor sub-contractors and any potential external staff (terms, conditions, statement of work, requirements, standards, development milestones, acceptance criteria, delivery dates, etc.) are clearly defined.
PS3	Verify that subcontractors have and maintain the required skills, personnel, plans, resources, procedures, and standards to meet their commitment.
PS4	Verify that State oversight is provided in the form of periodic status reviews and technical interchanges by the appropriate stakeholders.
PS5	Verify that the State has defined the technical and managerial inputs the vendor(s) need (reviews, approvals, requirements, and clarifications, etc.) and has the resources to supply them on schedule.
PS6	Verify that the appropriate staff has the ultimate responsibility for monitoring project cost and schedule across the whole program.

3.15.11.5. Configuration Management

Task #1	Task Description
CM1	Review and evaluate the configuration management (CM) plans and procedures associated with the development process.
CM2	Verify that all critical development documents, including but not limited to, requirements, design, and code are maintained under an appropriate level of control.
CM3	If code development is required, verify that the processes and tools are in place to identify code versions and to rebuild system configurations from source code.
CM4	If code development is required, verify that appropriate source code is maintained for training, testing, and production and that formal sign-off procedures are in place for approving work products.
CM5	Verify that appropriate processes and tools are in place to manage system changes, including formal logging of change requests and the review, prioritization, and timely scheduling of maintenance actions.
CM6	Verify that mechanisms are in place to prevent unauthorized changes being made to the system and to prevent authorized changes from being made to the wrong version.
CM7	Review the use of CM information (such as the number and type of corrective maintenance actions over time) in project management.

3.15.11.6. Quality Assurance

Task #1	Task Description
QA1	Evaluate and make recommendations on the project's quality assurance plans, procedures, and organization.
QA2	Verify that the QA function has an appropriate level of independence from project management.
QA3	Verify that the QA function monitors the fidelity of all defined processes in all phases/waves of the project.
QA4	Verify that the quality of all products produced by the project is monitored by formal reviews and signoffs.

QA5	Verify that project self-evaluations are performed and that measures are continually taken to improve the process.
QA6	Monitor the performance of the QA function by reviewing its processes and reports and performing spot checks of system documentation; assess findings and performance of the processes and reports.

3.15.11.7. Organization Change Management

Task#	Task Description
OC1	Review and make recommendations on the change management project plan provided by vendors.
OC2	Evaluate and provide recommendations about the effectiveness of change management efforts.
OC3	Review and provide feedback on Change Management Strategy and management Plan, stakeholder analysis report, change management assessment, communication strategy / plan and other documents created by vendors.
OC4	Review and provide feedback on lessons learned report developed during each wave of the project.

3.15.11.8. Training

Task#	Task Description
TR1	Review and make recommendations on the training provided to system users; Verify sufficient knowledge transfer for maintenance and operation of the new system.
TR2	Verify that training for users is instructor-led and hands-on and is directly related to the business process and required job skills.
TR3	Verify that user-friendly training materials and help desk services are easily available to all users.
TR4	Verify that all necessary policy and process and documentation are easily available to users.
TR5	Verify that all training is given on-time and is evaluated and monitored for effectiveness, with additional training provided, as needed.

3.15.11.9 Requirements Management

Task #	Task Description
RQ1	Evaluate and make recommendations on the project's process and procedures for managing requirements.
RQ2	Verify that system requirements are well-defined, understood and documented.
RQ3	Evaluate the allocation of system requirements to hardware, security, and software requirements.
RQ4	Verify that software requirements can be traced through design, code, and test phases/waves to verify that the system performs as intended and contains no unnecessary software elements.
RQ5	Verify that requirements are under formal configuration control.

3.15.11.10 Security Requirements

Task #	Task Description
SR1	Evaluate and make recommendations on project policies and procedures for ensuring that the system is secure, and that the privacy of client data is maintained.
SR2	Evaluate the project's restrictions on system and data access.
SR3	Evaluate the project's security and risk analysis.
SR4	Verify that processes and equipment are in place to back up client and project data and files and archive them safely at appropriate intervals.

3.15.11.11 Requirements Analysis

Task #	Task Description
RA1	Verify that an analysis of State's needs and objectives has been performed to verify that requirements of the system are well understood, well defined, and satisfy federal and state-local regulations.
RA2	Verify that stakeholders have been consulted to the desired functionality of the system, and that users have been involved in prototyping of the system.
RA3	Verify that stakeholders have bought-in to all changes which impact project objectives, cost, or schedule.

RA4	Verify that performance requirements (e.g. timing, response time and throughput) satisfy user needs.
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3.15.11.12. Interface Requirements

Task#	Task Description
IR1	Verify that system interfaces are exactly described, by function, including input/output data format and frequency.
IR2	Verify those approved interface documents are available and that appropriate relationships (such as interface working groups) are in place with all agencies and organizations supporting the interfaces.

3.15.11.13. Design Documentation

Task#	Task Description
DD1	Evaluate the design deliverables for adherence to the project design methodology and standards.
DD2	Evaluate the design and analysis process used to develop the design and make recommendations for improvements. Evaluate design standards, methodology and tools used and make recommendations.
DD3	Verify that requirements listed in the design documents can be traced back to system requirements.
DD4	Verify that all design products are under configuration control and formally approved.
DD5	Evaluate batch jobs for appropriate scheduling, timing, and internal and external dependencies.

3.15.11.14. Code Documentation

Task#	Task Description
CD1	Evaluate Code documentation quality, completeness and accessibility and make recommendation.
CD2	Evaluate the coding standards and guidelines and the projects compliance with these standards and guidelines and make recommendation.
CD3	Verify that developed code is kept under appropriate configuration control and is easily accessible by developers.
CD4	Evaluate the project's use of software metrics in management and quality assurance.

3.15.11.15. Unit Testing

Task #	Task Description
UT1	Evaluate the plans, requirements, environment, tools, and procedures used for unit testing system modules.
UT2	Evaluate the level of test automation and provide recommendations.
UT3	Verify that the test process achieves an appropriate level of test coverage, that test results are verified, that the correct code configuration has been tested, and that the tests are appropriately documented.

3.15.11.16. System Integration Testing

Task #	Task Description
S11	Evaluate the plans, requirements, environment, tools, and procedures used for integration testing of system modules.
S12	Evaluate the level of automation and the availability of the system test environment.
S13	Verify that the test process achieves an appropriate level of test coverage, that test results are verified, that the correct code configuration has been tested, and that the tests are appropriately documented, including formal logging of errors found in testing.
S14	Verify that the test organization has an appropriate level of independence from the development organization.
S15	Evaluate project plans for each implementation to ensure that deliverables and critical paths are aligned to meet each project major deadlines and milestones.

3.15.11.17. Interface Testing

Task #	Task Description
ITI	Evaluate interface testing plans and procedures for compliance with industry standards.

3.15.11.18. Acceptance and Turnover

Task #	Task Description
AT1	Acceptance procedures and acceptance criteria for each product must be defined, reviewed, and approved prior to test and the results of the test must be documented. Acceptance procedures must also address the process by which any software product that does not pass acceptance testing will be corrected.
AT2	Verify that appropriate acceptance testing based on the defined acceptance criteria is performed satisfactorily before acceptance of software products.
AT3	Verify that the acceptance test organization has an appropriate level of independence from the vendor.
AT4	Verify that training in using the vendor-supplied software is on-going throughout the development process, especially if the software is to be turned over to the State's staff for operation.
AT5	Review and evaluate testing implementation plan.
AT6	Review the Go/No-Go criteria prepared by the vendor and suggest changes, if necessary, in addition to review of the formal turnover plan.

3.15.11.19. Data Conversion

Task #	Task Description
DC1	Evaluate the proposed plans, procedures, and software for data conversion.
DC2	Verify that procedures are in place and are being followed to review the completed data for completeness and accuracy and to perform data cleanup as required.
DC3	Determine conversion error rates and if the error rates are manageable.
DC4	Provide recommendations on making the conversion process more efficient and on maintaining the integrity of data during the conversion.

SECTION II: BIDDING INSTRUCTIONS AND CONDITIONS**4. PROPOSAL SUBMISSION REQUIREMENTS, DEADLINE, AND LOCATION INSTRUCTIONS****4.1. Chapter ADM 600 Procurement and Property Rules Apply to and are made a Part Hereof**

4.1.1. In accordance with http://www.gencourt.state.nh.us/rules/state_agencies/adm600.html proposals submitted in response to this RFP must be received by the DAS Division of Procurement and Support Services (DPSS), Bureau of Purchase and Property no later than the time and date specified in the Timeline section herein. Proposals must be submitted as follows.

4.1.1.1. One (1) electronic submission of the complete proposal with pricing as a separate document via email NH.Purchasing@DAS.NH.Gov

And

4.1.1.2. One (1) hard copy submission of the complete proposal with pricing and six (6) hard copies with no pricing via U.S. Mail or delivery service (see Section VI. Public Disclosure regarding redacted copies)

4.1.1.3. Hard copy proposals must be addressed to:

**RFP#2703-23- INDEPENDENT VERIFICATION & VALIDATION SERVICES OF
ENTRPRISE RESOURCE PLANNING IMPLEMENTATION**

Mathew Stanton
NH Bureau of Purchase &
Property 25 Capitol Street -
Room 102
Concord NH 03301

Email responses must be labeled with the following
information: State of New Hampshire RFP# 2703-23
Due Date: August 9, 2023 @ 10:00 AM (EST)

**INDEPENDENT VERIFICATION & VALIDATION SERVICES OF ENTRPRISE
RESOURCE PLANNING IMPLEMENTATION**

4.1.1.4. Late submissions will not be accepted and will be returned to the Bidders unopened. Delivery of the proposals shall be at the Bidder's expense. The time of receipt shall be determined by when a proposal has been officially documented by the Bureau of Purchase and Property, in accordance with its established policies, as having been received at the location designated above. The State accepts no responsibility for mislabeled mail or mail that is not delivered or is undeliverable for any reason. Any damage that may occur due to shipping shall be the Bidder's responsibility. In case of a discrepancy between the electronic and paper submissions, the electronic version will take precedence.

5. PROPOSAL INQUIRIES

5.1. All inquiries concerning this RFP including, but not limited to, requests for clarifications, questions, and any changes to the RFP, shall be submitted via email to the following RFP designated Point of Contact:

AGENT EMAIL: Mathew.T.Stanton@das.nh.gov

- 5.2. Inquiries must be received no later than the conclusion of the Bidder Inquiry Period (see Timeline). Inquiries received later than the conclusion of the Bidder Inquiry Period shall not be considered properly submitted and may not be considered.
- 5.3. In the event it becomes necessary to add to or revise any part of this RFP prior to the scheduled submittal date, the Bureau of Purchase and Property will post on its web site any Addenda. Before your submission and periodically prior to the RFP closing, Bidders are required to check the site for any addenda or other materials that may have been issued affecting the RFP. The web site address is <https://das.nh.gov/purchasing/purchasing.aspx>.

6. RESTRICTION OF CONTACT WITH STATE EMPLOYEES

- 6.1. From the date of release of this RFP until an award is made regarding the selection of a Bidder, all communication with personnel employed by or under contract with the State regarding this RFP is forbidden unless first approved by the RFP Point of Contact listed in the Proposal Inquiries section herein. State employees have been directed not to hold conferences and/or discussions concerning this RFP with any Bidder during the selection process, unless otherwise authorized by the RFP Point of Contact.

7. VALIDITY OF PROPOSAL

- 7.1. Proposals shall be valid for one hundred and eighty (180) days following the deadline for submission of Proposals or until the Effective Date of any resulting contract, whichever is later.

8. TIMELINE

- 8.1. The timeline below is provided as a general guideline and is subject to change. The State reserves the right to amend this schedule at its sole discretion and at any time through a published Addendum.

Action	Target Completion Date
RFP Released to Proposers (Advertisement)	7/14/2023
Deadline for Bidder Questions/RFP Clarifications	7/28/2023
Bidder Questions Answered	8/4/2023
Proposals Due	8/11/2023

9. BIDDER CONTACTS

- 9.1. Bidders must provide the following information for the individual(s) representing your company during the RFP process:

Representative Name: Nathan Frey

Phone #: (512) 970-0745 Email: nathan.frey@isg-one.com

Name of Company: International Consulting Acquisition Corp. d/b/a ISG Public Sector



Office Address: 2187 Atlantic Street, Stamford, CT 06902

Website: www.isg-one.com

Criteria for Evaluation and Scoring

- 9.2. The State's designated evaluation team will review and score (based on consensus) Bidder responses and select the highest scoring proposal based on the financial and non-financial criteria outlined in this RFP. Reference checks, to the extent they are utilized by the State, will be used to refine, and finalize scores.
- 9.3. Bidders are advised that this is not a low bid award and that the scoring of the financial section will be conducted separately and then combined with the scoring of the non-financial section to determine the overall highest scoring Bidder.
- 9.4. State officials responsible for the selection of a Bidder shall ensure that the selection process accords equal opportunity and appropriate consideration to all who are capable of meeting the specifications. Failure to provide all information requested in this RFP may result in disqualification of the proposal.
- 9.5. Bidders chosen from the review process may be called on to demonstrate their products and/or service offering. These select Bidders will make arrangements with the Bureau of Purchase and Property to demonstrate their products and/or service offering. The State shall not be liable for any costs incurred by the Bidder in preparation of its demonstration. All costs incurred are the Bidder's sole responsibility.

10. MINIMUM QUALIFICATIONS

10.1. DAS, DoIT, and other designated State employees shall jointly evaluate the proposals received in response to this RFP. Each proposal shall be evaluated initially to determine compliance with the State's Minimum Qualifications and submission requirements. Any proposal that fails to meet any of the qualifications shall be eliminated from further consideration for this contract. Any proposal that meets all of the minimum qualifications shall be further evaluated in accordance with the State's selection criteria.

10.1.1. Bidder must be financially stable. Submission Requirements: Attach to proposal as Exhibit #3: a) Bidder's most recent annual report or other financial reports (including audited financial statements); b) SSAE 16, SAS-70, or equivalent external audit of Bidder's operations; and c) most recent A.M. Best Financial Strength Rating Report. If your company is privately held, list owners with five (5) percent or more of equity.

11. EVALUATION AND SELECTION

11.1. Phase 1- Technical Proposals must receive a minimum of 40 (80%) out of a maximum of 50 points to advance to the Phase 2 – Cost Proposal Scoring phase. Any Phase 1 - Technical Proposals scoring less than 40 points shall not advance to the Phase 2 Cost Proposal. The proposal will be dropped from further consideration.

11.2. Phase 2 – Technical Proposals scoring 40 points or higher shall be evaluated for cost and assigned up to a maximum of 50 points in the Phase 2 - Cost Proposal , bringing the potential maximum score to 100 points.

11.2.1. The Cost Proposal scoring of Phase #2 will be based on the Total Cost as requested in the Exhibit #1 of this RFP. The selected lowest Cost Proposal will receive all 50 points allocated for the financial score. Financial scores for all other proposals will be calculated using the following equation (scores will be rounded to the nearest whole number):



Lowest overall Bidder cost / bidder cost X 50 = Points Assessed

Example: Bidder A Total Cost is \$25,000.00

Bidder B Total Cost is \$27,500.00

Bidder A: $\$25,000 / \$25,000 \times 50 = 50$ Points Assessed to Bidder A

Bidder B: $\$25,000 / \$27,500 \times 50 = 45$ Points Assessed to Bidder B

11.3. Proposals shall be reviewed and scored based upon the following criteria:

Criteria	Total Pages	Possible Points
Phase 1: Technical Proposal		
Executive Summary	1	1 Points
Staff Qualifications	5	5 Points
Capability, Capacity, and Qualifications of the vendor	5	5 Points
Work Plan	27	7 Points
IV&V Case studies	5	5 Points
Client References	2	4 Points
Quality Assurance and Auditing	3	5 Points
Data and Reporting	2	5 Points
Implementation	2	10 Points
Performance Guarantees	*Included in questionnaire response	3 Points
Total Possible Technical Proposal Points	50 pages	50 Points
Phase 2: Cost Proposal		
Cost proposal		50 Points
Total Possible Evaluation Points		100 Points

12. CONTRACT AWARD

12.1. The award shall be made to the qualified Bidder meeting the criteria established in this RFP and receiving the highest score. Formal and final selection of the Bidder, however, is contingent upon the successful negotiation and the proper execution of all contract documents (acceptable to the State) and



the approval of the Governor and Executive Council. The State reserves the right to reject any or all proposals or any part thereof. If an award is made, it shall be in the form of a State of NH contract.

- 12.2. Should the State be unable to reach agreement with the selected Bidder during contract discussions, the State may then undertake contract discussions with the second highest scoring Bidder and so on, or the State may reject all proposals, cancel this RFP, or solicit new proposals under a new procurement process.

SECTION III: QUESTIONNAIRE

13. QUESTIONNAIRE

13.1. In order for Bidder proposals to be considered and accepted, Bidders must provide responsive answers to all of the questions presented in this section. When answering the questions contained in the Questionnaire Section of this RFP, please repeat the questions, and provide answers numbered to correspond to the question as indicated in the RFP. Reference should not be made to a prior response. Be sure to refer to the earlier sections of this RFP before responding to any of the questions so that you have a complete understanding of all of the requirements with respect to the proposal. Historical information shall include the last three (3) years through the most recent complete fiscal year.

13.2. General Information about the Bidder's Company

13.2.1. Please provide the following information about your company:

Company Name	
Years in Business	
Parent Company Name (if applicable)	
Number of Employees (total)	
Number of Employees (focused on ERP implementation)	

13.2.2. Has your company expanded, reorganized, or merged in the last year? If yes, please explain.

13.2.3. Do you plan to sub-contract any portion of the services required to another company? If yes, please describe.

13.2.4. Describe any pending or prior litigation your company has been involved with over the last ten years.

13.2.5. Has your company been subject to a market conduct or enforcement investigation within the last ten years? If yes, explain the nature, current status, and the outcome(s).

13.2.6. Is there any existing or potential conflict of interest with regard to any work performed or to be performed by your company with the State of NH?

13.3. History and Customer Base (including Public Sector)

13.3.1. How many years has your company been doing IV&V for large public sector employees?

13.3.2. What makes your company most qualified as a bidder to provide these services?

13.3.3. In the following grid, list the total number of your company's employer customers by category:

Client Type	Number of Customers	
	Total	Total Public Sector
IV&V Services		

Infor Implementations		
IV&V ERP engagements		

- 13.3.4. What is the size of your company's average customer?
- 13.3.5. Does your company have a service line dedicated to the Public Sector and/or State Government? If yes, briefly describe the lines of coverage/service involved.
- 13.3.6. Describe three (3) of your largest Public Sector customers:

14. PHASE 1 TECHNICAL PROPOSAL.

- 14.1. Narrative and format: Vendors must submit a technical proposal that addresses each of the following elements and is limited to fifty (50) pages (this excludes any appendices / exhibits and as appropriate resumes of key staff that will provide services covered by this request). Technical portion of the response should NOT include any cost/pricing information.
- 14.2. Executive Summary (1 Pages max): Executive summary should provide a concise summary of the Technical proposal.
- 14.3. Staff Qualifications (5 Pages max): Provide staff resumes/CV by updating Exhibit 2 and describe qualifications and experience of key staff who will be involved in this project, including their experience within IV&V services. State expects Vendor's IV&V Staff to have varied experience including ERP implementations and or providing IV&V services for ERP implementations. Preference shall be given if Vendor staff has specific experience with the INFOR ERP cloud SaaS products being delivered.
- 14.4. Please indicate the following experience for the selected vendor staff along with their resumes.
 - 14.4.1. Experience with ERP implementation projects – Specifically with INFOR on premise products and Infor CloudSuite products selected by the State.
- 14.5. Capability, Capacity, and Qualifications of the Vendor (5 Pages max): Vendors must demonstrate an understanding of the scope of services required to provide IV&V services for the SaaS Cloud ERP Implementation project. Critical vendor qualifications are listed in the section below. The vendor must provide details on these qualifications and examples where appropriate.

Critical IV&V Vendor Qualifications:

- 14.5.1. Proven IV&V experience of at least five (5) years, providing IV&V services for Government ERP implementations and how your IV&V participation contributed to the success of the project.
- 14.5.2. IV&V experience for at least one (1) completed or active SaaS Cloud ERP implementation for a US State, Large City or County over the last 3 years (2019 onwards).
- 14.5.3. Demonstrated ability to provide IV&V services for INFOR ERP products selected by the State.
- 14.5.4. Demonstrate ability to provide Independent IV&V service without any potential conflict of interest.
- 14.6. Work Plan (27 pages max): This is the core part of the Technical Proposal. This section should outline, in detail, the Vendor's approach and methodology to deliver all the tasks/services covering the entire scope of this RFP.

14.7. In addition, Vendors should provide information about the following key components and any other detail the vendor feels are important for an IV&V service for an implementation of this magnitude and complexity.

14.7.1. In the proposal, the bidder is expected to describe the actions necessary to produce the deliverables. In addition, the bidder should use examples to describe the format and content of the deliverables.

14.7.2. In their workplan, the Bidder is expected to present a clear understanding of the methods and tools used to complete required tasks and deliverables.

14.7.3. The Bidder's proposal must describe its Project Management process in detail to provide the State with an understanding of its approach.

14.7.4. For the IV&V Tasks described in this RFP, bidders are asked to provide a proposed plan of specific IV&V activities, timeline, and resources to accomplish the proposed tasks.

14.7.5. The proposals should include an analysis of each of the tasks, and for each, a specific proposed plan of work, milestones, and resources proposed.

14.7.6. Provide information about what expectations your company has of the State as a part of this engagement.

14.7.7. Based on your experience in providing IV&V services for similar implementations, identify key success factors and risks for an implementation of this magnitude and complexity.

14.7.8. Explain in detail how the IV&V team would engage with the State and Infor's implementation team. Specify if the IV&V team is going to be full time participating in the day-to-day activities of the ERP implementation or if they would be engaged periodically at certain stages of the implementation project.

14.8. IV&V Case studies (5 pages Max):

14.8.1. Case Studies: Three (3) relevant case studies providing IV&V services for ERP implementations with at least one (1) for a US State, County or City. Provide project information including scope, schedule, year of service etc., and whether each project was completed according to its original timeline, specifics regarding project timeline extensions and cost increases.

14.8.2. Client References (2 pages Max): Vendors to provide a minimum of three (3) Client references out of which one (1) must be a for a US State, County or City where the Vendor has provided IV&V services for a similar implementation; please include client names, reference name, title, email, phone numbers, dates of service and scope of service(s) provided. The reference calls and scoring will be conducted during Phase 3 of the evaluation process.

14.8.2.1. Client name;

14.8.2.2. Client size (total employees);

14.8.2.3. Services provided;

14.8.2.4. Tenure as client (number of years);

14.8.2.5. Name and telephone number.

14.8.3. What are three of your company's past clients that used you for IV&V of an ERP Implementation?

14.8.3.1. Client name;

14.8.3.2. Client size (total eligible employees);

- 14.8.3.3. Number of employees;
- 14.8.3.4. Services provided;
- 14.8.3.5. Tenure as client (number of years);
- 14.8.3.6. Name and telephone number.

14.9. Quality Assurance and Auditing (2 pages Max)

14.9.1. As the winning bidder will be monitoring the Infor Global Consulting team, it will be important to monitor the end-to-end processes, the performance of the operations and the overall results of the project plan and apply lessons learned toward continual improvement.

14.9.1.1. Please describe your organization's program for quality assurance, and how your best practices and internal controls will be applied to the Plan for:

- 14.9.1.1.1. Audits, both claim and fiscal;
- 14.9.1.1.2. Performance standards;
- 14.9.1.1.3. Issue identification and reporting such issues to the Plan;
- 14.9.1.1.4. Supervisory and management reviews to train staff for future resolution;
- 14.9.1.1.5. Documented work processes for improvement over time.

14.9.1.2. Will your company engage an independent auditor to evaluate internal controls?

14.10. Data and Reporting (2 pages Max)

14.10.1. The winning bidder must provide reporting to DAS and the New Hampshire Department of Information Technology (DoIT) for the overall project plan. As the plan is in its early stages of development, and the full scope of reporting requirements will likely evolve over time, the winning bidder is expected to be flexible and to adapt its workplan to as the overall project workplan evolves.

14.10.2. DAS and DoIT anticipate receiving the following types of reports to monitor the Plan's performance and ultimately produce summary reports on an ongoing basis that will be made available to the Governor. Please describe your capability to provide this anticipated data and how you will produce on demand reports and information, such as through a portal or a dashboard.

14.11. Implementation (2 pages Max)

14.11.1. Given the tight timeframe involved to complete business reorganization and upgrade to the latest Infor Cloud SaaS system, strong oversight is required for this implementation armed with organization tools and backed with sufficient resourcing.

- 14.11.1.1. Describe your company's implementation approach for oversight and attach a detailed, task-oriented plan with milestones.
- 14.11.1.2. Describe the implementation team that will be assigned to the Plan, including the roles and responsibilities and the individuals involved.
- 14.11.1.3. Explain how the project and relationship will be managed, including what roles and associated skills you will need from the Plan and its consultant to successfully work with your team.
- 14.11.1.4. How will you regularly communicate and coordinate with the Plan's team during the implementation process?
 - 14.11.1.4.1. How will implementation issues be identified, addressed, and escalated?



14.11.1.5. What project management tools will you use to manage the implementation timeline and keep all parties on track and informed?

14.12. Performance Guarantees (include table)

14.12.1.1. The table below identifies a set of performance guarantees that shall be the basis of performance responsibilities for any resulting contract.

14.12.1.2. Bidders are encouraged to add others that demonstrate their ability to monitor the success of the program. Bidders are also encouraged to place a material amount at risk per contract year.

14.12.1.2.1. Bidders that increase fees at risk or offer additional value added performance measurements with percentages may be awarded up to 3 points as a component of the technical score identified herein.

14.12.1.3. Performance guarantee metrics are to be self-reported. All guarantees shall be measured monthly and quarterly on a calendar year basis. Any penalties due to the State shall be remitted on a separate check, and not as an invoice credit, no later than sixty (60) days after the close of the year.

14.12.1.4. Provide the total amount per contract year at risk for performance guarantees. At time of contract, the parties shall mutually agree to the allocation of the at-risk funds based on the chart below.

Category	Measurement	Willingness to Provide (Yes / No)? If No Indicate Alternative	Minimum Fees At Risk	Additional Fees At Risk
Develop an IV&V project work plan using Infor Deliverables	Completion of cohesive plan to be delivered with Infor detailed plan.		5% of total fixed fee pricing	
Recommendations	Review and make recommendations on both the management of the Infor Project, both State and vendor, and the technical aspects of the Infor Project.		5% of total fixed fee pricing	
Usability	Consult with relative stakeholders and assess the user involvement and buy-in regarding system functionality and the system's ability to meet program needs.		5% of total fixed fee pricing	
Budget	Conduct an analysis of past Infor Project performance (schedule, budget) sufficient		5% of total fixed fee pricing	



Category	Measurement	Willingness to Provide (Yes / No)? If No Indicate Alternative	Minimum Fees At Risk	Additional Fees At Risk
	to identify and make recommendations for improvement.			
Performance Metrics	Develop performance metrics which allow tracking of Infor Project completion against milestones set by the State		5% of total fixed fee pricing	
Systems	Review system hardware and software configuration and report on any compatibility and obsolescence issues.		5% of total fixed fee pricing	
Operations Staffing	Assess and recommend improvement, as needed, to assure maintenance of the application, including personnel to the Infor Project and ongoing operations and maintenance of the application.		5% of total fixed fee pricing	
Configuration	Assess Infor Project's Configuration Management (CM) function/organization by reviewing DEAM operations and making recommendations regarding appropriate processes and tools to manage system changes.		5% of total fixed fee pricing	

15. PHASE 2 COST PROPOSAL

15.1. Detailed Budget and Budget Narrative:

15.1.1. Provide a cost proposal for the required services by updating Exhibit 1 which includes the following information:

15.1.2. Fixed price with price breakdown for IV&V services for the base term (14 months)

15.1.3. Monthly phase wise rate applicable if a phase is extended beyond the duration specified in the Cost template.

15.1.4. All costs associated with the scope of this service should be included in Exhibit 1.

SECTION IV: TERMS AND CONDITIONS RELATED TO THE RFP PROCESS

16. RFP ADDENDUM

16.1. The State reserves the right to amend this RFP at its discretion, prior to the Proposal submission deadline. In the event of an addendum to this RFP, the State, at its sole discretion, may extend the Proposal submission deadline, as it deems appropriate.

17. PROPERTY OF THE STATE

17.1. All material received in response to this RFP shall become the property of the State and will not be returned to the Bidder. Upon contract award, the State reserves the right to use any information presented in any Proposal.

18. CONFIDENTIALITY OF A PROPOSAL

18.1. Unless necessary for the approval of a contract, the substance of a proposal shall remain confidential until the Effective Date of any contract resulting from this RFP. A Bidder's disclosure or distribution of Proposals other than to the Bureau of Purchase and Property will be grounds for disqualification.

19. PUBLIC DISCLOSURE

19.1. Generally, the full contents of any proposal (including all materials submitted in connection with it, such as attachments, exhibits, addenda, and vendor presentations) become public information upon completion of final contract or purchase order negotiations with the selected vendor. Certain information concerning proposals, including but not limited to scoring, is generally available to the public even before this time, in accordance with the provisions of NH RSA 21-G:37.

19.2. Confidential, commercial, or financial information may be exempt from public disclosure under RSA 91-A:5, IV. Any and all information contained in or connected to a bid or proposal that a Bidder considers confidential shall be clearly designated in the following manner:

19.3. If the Bidder considers any portion of a submission confidential, they shall provide a separate copy of the full and complete document, fully redacting those portions by blacking them out and shall note on the applicable page or pages of the document that the redacted portion or portions are "confidential." Use of any other term or method, such as stating that a document or portion thereof is "proprietary", "not for public use", or "for client's use only", is not acceptable. In addition to providing an additional fully redacted copy of the bid submission to the person listed as the point of contact on Page one (1) of this document, the identified information considered to be confidential must be accompanied by a separate letter stating the rationale for each item designated as confidential. In other words, the letter must specifically state why and under what legal authority each redaction has been made. Submissions which do not conform to these instructions by failing to include a redacted copy (if required), by failing to include a letter specifying the rationale for each redaction, by failing to designate redactions in the manner required by these instructions, or by including redactions which are contrary to these instructions or operative law may be rejected by the State as not conforming to the requirements of the bid or proposal. Marking or designating an entire proposal, attachment, or section as confidential shall neither be accepted nor honored by the State. Marking an entire bid, proposal, attachment, or full sections thereof confidential without taking into consideration the public's right to know shall neither be accepted nor honored by the State.

19.4. Notwithstanding any provision of this request for submission to the contrary, proposed pricing shall be subject to public disclosure REGARDLESS of whether or not marked as confidential.

19.5. If a request is made to the State by any person or entity to view or receive copies of any portion of a proposal, the State will assess what information it believes is subject to release; notify the Bidder that the request has been made; indicate what, if any, portions of the proposal or related material shall be released; and notify the Bidder of the date it plans to release the materials. To halt the release of information by the State, a Bidder must initiate and provide to the State, prior to the date specified in the notice, a court action in the Superior Court of the State of New Hampshire, at its sole expense, seeking to enjoin the release of the requested information.

19.6. By submitting a proposal, Bidders acknowledge and agree that:

19.6.1. The State may disclose any and all portions of the proposal or related materials which are not marked as confidential and/or which have not been specifically explained in the letter to the person identified as the point of contact for this RFP;

19.6.2. The State is not obligated to comply with a Bidder's designations regarding confidentiality and must conduct an independent analysis to assess the confidentiality of the information submitted in your proposal; and

19.6.3. The State may, unless otherwise prohibited by court order, release the information on the date specified in the notice described above without any liability to a Bidder.

20. NON-COMMITMENT

20.1. Notwithstanding any other provision of this RFP, this RFP does not commit the Bureau of Purchase and Property to award a contract. The State reserves the right, at its sole discretion, to reject any and all Proposals, or any portions thereof, at any time; to cancel this RFP; and to solicit new Proposals under a new acquisition process.

21. PROPOSAL PREPARATION COST

21.1. By submitting a Proposal, a Bidder agrees that in no event shall the State be either responsible for or held liable for any costs incurred by a Bidder in the preparation of or in connection with the Proposal, or for Work performed prior to the Effective Date of a resulting contract.

22. ETHICAL REQUIREMENTS

22.1. From the time this RFP is published until a contract is awarded, no Bidder shall offer or give, directly or indirectly, any gift, expense reimbursement, or honorarium, as defined by RSA 15-B, to any elected official, public official, public employee, constitutional official, or family member of any such official or employee who will or has selected, evaluated, or awarded an RFP, or similar submission. Any Bidder that violates RSA 21-G:38 shall be subject to prosecution for an offense under RSA 640:2. Any Bidder who has been convicted of an offense based on conduct in violation of this section, which has not been annulled, or who is subject to a pending criminal charge for such an offense, shall be disqualified from bidding on the RFP, or similar request for submission and every such Bidder shall be disqualified from bidding on any RFP or similar request for submission issued by any state agency. A Bidder that was disqualified under this section because of a pending criminal charge which is subsequently dismissed, results in an acquittal, or is annulled, may notify the department of administrative services, which shall note that information on the list maintained on the state's internal intranet system, except in the case of annulment, the information, shall be deleted from the list.



23. NON-COLLUSION

23.1. The Bidder's signature on a Proposal submitted in response to this RFP guarantees that the prices, terms and conditions, and Work quoted have been established without collusion with other vendors and without effort to preclude the State from obtaining the best possible competitive Proposal.

SECTION V: CONTRACT TERMS

24. STANDARD CONTRACT TERMS

- 24.1. The State will require the successful Bidder to execute a contract using Standard Terms and Conditions of the State of New Hampshire which is attached as Appendix A.
- 24.2. To the extent that a Bidder believes that exceptions to the standard form contract will be necessary for the vendor to enter into the Agreement, the Bidder should note those issues during the Bidder inquiry period. The State will review requested exceptions and accept, reject, or note that it is open to negotiation of the proposed exception at its sole discretion. If the State accepts a Bidder's exception the State will, at the conclusion of the inquiry period, provide notice to all potential Bidders of the change to the P-37 and indicate that change is available to all potential Bidders.
- 24.3. Any exceptions to the standard form contract that are not raised during the vendor inquiry period are waived. In no event is a Bidder to submit its own standard contract terms and conditions as a replacement for the State's terms in response to this solicitation.
- 24.4. IF AWARDED A CONTRACT, The Vendor must complete the following sections of the attached Agreement State of New Hampshire Form #P-37;
- Section 1.3 Contractor(s) Name
 - Section 1.4 Contractor(s) Address
 - Section 1.11 Contractor(s) Signature
 - Section 1.12 Name & Title of Contractor(s) Signor
 - Provide certificate of insurance with the minimum limits required as described below.
 - Provide certificate of workers' compensation.
 - Provide a certificate of good standing from the NH Secretary of State or proof of your completion of and payment for the start of the registration process.

25. CERTIFICATE OF INSURANCE:

- 25.1. Bidders awarded a contract(s) shall be required to submit proof of Comprehensive General Liability prior to performing any services for the State. The coverage shall include comprehensive general liability insurance against all claims of bodily injury, death, or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate.

26. TERMINATION:

- 26.1. The State of NH shall have the right to terminate the contract at any time by giving the successful Bidder a thirty (30) day written notice.

27. VENDOR CERTIFICATION:

- 27.1. CONFIDENTIALITY & CRIMINAL RECORD: If required by the using agency, the Bidder will have signed by each of its employees or its approved sub-contractor(s), if any, working in the office or externally with the State of NH records a Confidentiality form and Criminal Record Authorization Form. These forms shall be returned to the individual using agency prior to the start of any work.



28. CONTRACT PERIOD:

28.1. The term of the contract shall commence upon approval of the governor and executive council through December 31, 2025, a period of approximately sixteen (16) months. The contract may be extended for up to one (1) year under the same terms, conditions, and pricing structure upon the mutual agreement between the winning bidder and the state with the approval of the governor and executive council.

29. TERMS OF PAYMENT:

- 29.1. Payments shall be paid in full within thirty (30) days after receipt of invoice and acceptance to the State's satisfaction.
- 29.2. Prior to commencement of any work all substantive deliverables shall be mutually agreed upon by the State and Contractor. The basis of the agreement shall result from submittal of a holistic detailed master project plan for all phases of the project to be furnished by the contractor within 30 days after receipt of executed contract.

30. PAYMENT:

30.1. Non-premium payment method (ACH). Payments shall be made via ACH. Use the following link to enroll with the State Treasury for ACH payments: <https://www.nh.gov/treasury/state-vendors/index.htm>

31. NOTIFICATION AND AWARD OF CONTRACT(S):

31.1. Proposal results will not be given by telephone. At the time of the closing date of proposals, only the number of Bidders submitting responses will be made public. Specific response information will not be given out. Proposal results (Bidder names and rank or scores) will be made public five days prior to submission to Governor and Council for final approval of the contract(s).

Proposal results may be viewed on our website at:
<https://das.nh.gov/purchasing/vendorresources.aspx> when they become public.

32. BIDDER CONTACT INFORMATION:

32.1. Please provide contact information below for a person knowledgeable of and who can answer questions regarding this bid response.

Nathan Frey	(512) 970-0745	N/A
Contact Person	Local Telephone Number	Toll Free Telephone Number
Nathan.frey@isg-one.com	www.isg-one.com	78-330-6327
Email Address	Company Website	DUNS #
International Consulting Acquisition Corp. d/b/a ISG Public Sector	2187 Atlantic Street Stamford, CT 06902	
Bidder Company Name	Bidder Address	



**APPENDIX A FORM P-37
 SAMPLE FORM TO BE COMPLETED UPON AWARD**

FORM NUMBER P-37 (version 2/23/2023)

Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

I. IDENTIFICATION.

1.1 State Agency Name		1.2 State Agency Address	
1.3 Contractor Name		1.4 Contractor Address	
1.5 Contractor Phone Number	1.6 Account Unit and Class	1.7 Completion Date	1.8 Price Limitation
1.9 Contracting Officer for State Agency		1.10 State Agency Telephone Number	
1.11 Contractor Signature Date:		1.12 Name and Title of Contractor Signatory	
1.13 State Agency Signature Date:		1.14 Name and Title of State Agency Signatory	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: _____ On: _____			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

2. SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT B which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed.

3.3 Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in

EXHIBIT B, in whole or in part, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8. The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 The State's liability under this Agreement shall be limited to monetary damages not to exceed the total fees paid. The Contractor agrees that it has an adequate remedy at law for any breach of this Agreement by the State and hereby waives any right to specific performance or other equitable remedies against the State.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws and the Governor's order on Respect and Civility in the Workplace, Executive order 2020-01. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the

State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of age, sex, sexual orientation, race, color, marital status, physical or mental disability, religious creed, national origin, gender identity, or gender expression, and will take affirmative action to prevent such discrimination, unless exempt by state or federal law. The Contractor shall ensure any subcontractors comply with these nondiscrimination requirements.

6.3 No payments or transfers of value by Contractor or its representatives in connection with this Agreement have or shall be made which have the purpose or effect of public or commercial bribery, or acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business.

6.4 The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with this Agreement and all rules, regulations and orders pertaining to the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 The Contracting Officer specified in block 1.9, or any successor, shall be the State's point of contact pertaining to this Agreement.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of

time, thirty (30) calendar days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) calendar days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) calendar days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) calendar days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. In addition, at the State's discretion, the Contractor shall, within fifteen (15) calendar days of notice of early termination, develop and submit to the State a transition plan for Services under the Agreement.

10. PROPERTY OWNERSHIP/DISCLOSURE.

10.1 As used in this Agreement, the word "Property" shall mean all data, information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

10.2 All data and any Property which has been received from the State, or purchased with funds

provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

10.3 Disclosure of data, information and other records shall be governed by N.H. RSA chapter 91-A and/or other applicable law. Disclosure requires prior written approval of the State.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 Contractor shall provide the State written notice at least fifteen (15) calendar days before any proposed assignment, delegation, or other transfer of any interest in this Agreement. No such assignment, delegation, or other transfer shall be effective without the written consent of the State.

12.2 For purposes of paragraph 12, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.3 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State.

12.4 The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. INDEMNIFICATION. The Contractor shall indemnify, defend, and hold harmless the State, its officers, and employees from and against all actions, claims, damages, demands, judgments, fines, liabilities, losses, and other expenses, including, without limitation, reasonable attorneys' fees, arising out of or relating to this Agreement directly or indirectly arising from death, personal injury, property damage, intellectual property infringement, or other claims asserted against the State, its officers, or employees caused by the acts or omissions of negligence, reckless or willful misconduct, or fraud by the Contractor, its employees, agents, or

subcontractors. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the State's sovereign immunity, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all Property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the Property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or any successor, a certificate(s) of insurance for all insurance required under this Agreement. At the request of the Contracting Officer, or any successor, the Contractor shall provide certificate(s) of insurance for all renewal(s) of insurance required under this Agreement. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("Workers' Compensation").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Contractor shall furnish the Contracting Officer identified in block 1.9, or any successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached

and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. A State's failure to enforce its rights with respect to any single or continuing breach of this Agreement shall not act as a waiver of the right of the State to later enforce any such rights or to enforce any other or any subsequent breach.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

19. CHOICE OF LAW AND FORUM.

19.1 This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire except where the Federal supremacy clause requires otherwise. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

19.2 Any actions arising out of this Agreement, including the breach or alleged breach thereof, may not be submitted to binding arbitration, but must, instead, be brought and maintained in the Merrimack County Superior Court of New Hampshire which shall have exclusive jurisdiction thereof.

20. CONFLICTING TERMS. In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and any other portion of this Agreement including any attachments thereto, the terms of the P-37 (as modified in EXHIBIT A) shall control.

21. THIRD PARTIES. This Agreement is being entered into for the sole benefit of the parties hereto, and nothing herein, express or implied, is intended to or will confer any legal or equitable right, benefit, or remedy of any nature upon any other person.

22. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

23. SPECIAL PROVISIONS. Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

24. FURTHER ASSURANCES. The Contractor, along with its agents and affiliates, shall, at its own cost and expense, execute any additional documents and take such further actions as may be reasonably required to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby.

25. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

26. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.



APPENDIX B: TRANSMITTAL LETTER

STATE OF NEW HAMPSHIRE TRANSMITTAL LETTER

Date: 8/11/2023 Company Name: International Consulting Acquisition Corp. d/b/a ISG Public Sector

Address:
2187 Atlantic Street
Stamford, CT 06902

To: Point of Contact: Mathew Stanton
 Telephone: 603-271-3235
 Email: Mathew.T.Stanton@das.nh.gov

RE: Proposal Invitation Name:
 RFP Number: 2703-23
 RFP Posted Date (on or by): July 14, 2023
 RFP Closing Date and Time: August 11, 2023 @ 10:00 AM (EST)

[Insert name of signor] Nathan Frey on behalf of International Consulting Acquisition Corp. [insert name of entity submitting RFP (collectively referred to as "Bidder")] hereby submits an offer as contained in the written RFP/RFP submitted herewith ("RFP") to the State of New Hampshire in response to RFP # 2703-23 for Independent Verification and Validation Services at the price(s) quoted herein in complete accordance with the RFP.

Bidder attests to the fact that:

1. The Bidder has reviewed and agreed to be bound by the RFP.
2. The Bidder has not offered any of the language or other provisions contained in the RFP document.
3. The RFP is effective for a period of 180 days from the RFP Closing date as indicated above.
4. The prices Bidder has quoted in the RFP were established without collusion with other bidders.
5. The Bidder has read and fully understands this RFP.
6. Further, in accordance with RSA 21-E11-c, the undersigned Bidder certifies that neither the Bidder nor any of its subsidiaries, affiliates or principal officers (principal officers refers to individuals with management responsibility for the entity or association):
 - a. Has, within the past 2 years, been convicted of, or pleaded guilty to, a violation of RSA 356:2, RSA 356:4 or any state or federal law or court or municipal ordinance prohibiting specified bidding practices, or involving antitrust violations, which has not been annulled;
 - b. Has been prohibited, either permanently or temporarily, from participating in any public works project pursuant to RSA 638:20;
 - c. Has previously provided false, deceptive, or fraudulent information on a bidder code number application form, or any other document submitted to the state of New Hampshire, which information was not corrected as of the time of the filing a bid, proposal, or quotation;
 - d. Is currently debarred from performing work on any project of the federal government or the government of any state;
 - e. Has, within the past 2 years, failed to cure a default on any contract with the federal government or the government of any state;
 - f. Is presently subject to any order of the department of labor, the department of employment security, or any other state department, agency, board, or commission, finding that the applicant is not in compliance with the requirements of the laws or rules that the department, agency, board, or commission is charged with implementing;
 - g. Is presently subject to any sanction or penalty finally issued by the department of labor, the department of employment security, or any other state department, agency, board, or commission, which sanction or penalty has not been fully discharged or fulfilled;
 - h. Is currently serving a sentence or is subject to a continuing or unfulfilled penalty for any crime or violation noted in this section;
 - i. Has failed or neglected to advise the division of any conviction, plea or guilty, or finding relative to any crime or violation noted in this section, or of any debarment, within 30 days of such conviction, plea, finding, or debarment, or
 - j. Has been placed on the debarred parties list described in RSA 21-E11-c within the past year.

This document shall be signed by a person who is authorized to legally obligate the responding vendor. A signature on this document indicates that all State of New Hampshire terms and conditions are accepted by the responding vendor and that any and all other terms and conditions submitted by the responding vendor are null and void, even if such terms and conditions have terminology to the contrary. The responding vendor shall also be subject to State of New Hampshire terms and conditions as stated on the reverse of the purchase order.

Authorized Signor's Signature Nathan Frey Authorized Signor's Title: Partner



EXHIBIT #1: BIDDER TOTAL PROJECTED COST FACTORS
(please submit sealed separate from technical response)

The Bidder must submit an itemized projection providing a detailed breakdown of expenses in performing the services for the entire period defined under the Scope of Work described herein and addressing all cost elements in the Bidder's proposal. Please complete and return Exhibit #1 hourly rate table including all staff resources, rates, number of hours for each competency for the project consistent with the required deliverables in the Scope of work defined herein. The total cost amount is the proposed cost to be used in the scoring cost formula for evaluation purposes.



EXHIBIT #2: QUESTIONNAIRE

General Information about the Bidder's Company

1. Please provide the following information about your company

Company Name:	
Years in Business:	
Parent Company Name (if applicable):	
Number of Employees (total):	
Number of Employees (focused on ERP implementation):	

2. Has your company expanded, reorganized, or merged in the last year? If yes, please explain.
3. Do you plan to sub-contract any portion of the services required to another company? If yes, please describe.
4. Describe any pending or prior litigation your company has been involved with over the last ten years.
5. Has your company been subject to a market conduct or enforcement investigation within the last ten years? If yes, explain the nature, current status, and the outcome(s).
6. Is there any existing or potential conflict of interest with regard to any work performed or to be performed by your company with the State of NH?
7. History and Customer Base (including Public Sector)
8. How many years has your company been doing IV&V for large public sector employees?
9. What makes your company most qualified as a bidder to provide these services?
10. In the following grid, list the total number of your company's employer customers by category:

Number of Customers:	
Client Type Total:	
Total Public Sector:	
IV&V Services :	
Infor Implementations:	
Other IV&V ERP engagements:	

11. What is the size of your company's average customer?
12. Does your company have a service line dedicated to the Public Sector and/or State Government? If yes, briefly describe the lines of coverage/service involved.
13. Describe three (3) of your largest Public Sector customers, and any interaction you have with the legislative process. Have you ever conducted meetings open to the public?



EXHIBIT #3: AUDITED FINANCIAL STATEMENT

- a) Bidder's most recent annual report or other financial reports (including audited financial statements);
- b) SSAE 16, SAS-70, or equivalent external audit of Bidder's operations; and
- c) Most recent A.M. Best Financial Strength Rating Report. If your company is privately held, list owners with five (5) percent or more of equity



EXHIBIT #4 IV&V PROJECT PLAN

Please provide a comprehensive project plan outlining your companies approach to IV&V oversight consistent with the project scope as defined herein. Be sure to include required resources, timeline to completion for each milestone proposed, and associated values.



EXHIBIT #5 BIDDER EXHIBIT CHECKLIST

A complete list of required Exhibits is provided below. Bidders must check each box for each Exhibit provided. Bidders must submit this form and all Exhibits as part of Exhibit N to the RFP response.

RFP 2703-23: All pages dated and initialed (including addendums)	Have completed and attached
Appendix B: State of New Hampshire Transmittal Letter	Have completed and attached
Exhibit 1: Bidder total projected cost factors	Have completed and attached
Exhibit 2: Questionnaire	Have completed and attached
Exhibit 3: Audited Financial Statements	Have completed and attached
Exhibit 4: IV&V Project Plan	Have completed and attached
Certificate of Insurance	Have completed and attached
State of New Hampshire Certificate of Good Standing	Have completed and attached
Certificate of Authority	Have completed and attached



17.10. Addendum

STATE OF NEW HAMPSHIRE
DIVISION OF PROCUREMENT AND SUPPORT SERVICES
 BUREAU OF PURCHASE AND PROPERTY
 STATE HOUSE ANNEX
 25 CAPITOL STREET
 CONCORD, NEW HAMPSHIRE 03301-6398

DATE OF CHANGE: August 4, 2023

ADDENDUM # 1 TO BID INVITATION 2703-23

DATE OF BID CLOSING: ~~8/11/2023~~ **8/16/2023**

TIME OF BID CLOSING: 10:00 AM (EST)

FOR: INDEPENDENT VERIFICATION & VALIDATION SERVICES OF ENTERPRISE RESOURCE PLANNING IMPLEMENTATION

Currently Reads:

8. Timeline

8.1 The timeline below is provided as a general guideline and is subject to change. The State reserves the right to amend this schedule at its sole discretion and at any time through a published Addendum.

Action	Target Completion Date
RFP Released to Proposers (Advertisement)	7/14/2023
Deadline for Bidder Questions/RFP	7/28/2023
Clarifications	
Bidder Questions Answered	8/4/2023
Proposals Due	8/11/2023

Change to Read:

8. Timeline

8.1 The timeline below is provided as a general guideline and is subject to change. The State reserves the right to amend this schedule at its sole discretion and at any time through a published Addendum.

Action	Target Completion Date
RFP Released to Proposers (Advertisement)	7/14/2023
Deadline for Bidder Questions/RFP	7/28/2023
Clarifications	
Bidder Questions Answered	8/9/2023
Proposals Due	8/16/2023

PURCHASING AGENT: Mathew Stanton

Email: NH.Purchasing@das.nh.gov

NOTE: ALL CHANGES TO BID SOLICITATION NOTED IN ADDENDUMS WILL SUPERSEDE PREVIOUSLY SUBMITTED DOCUMENTS AND MUST BE SUBMITTED WITH THE BID. ALL OTHER SPECIFICATIONS REMAIN UNCHANGED AND VALID.

BIDDER International Consulting Acquisition Corp
 d/b/a ISG Public Sector **ADDRESS** 2187 Atlantic Street, Stamford, CT 06902



BY Nathan L. Frey
(this document must be signed)
Nathan Frey, Partner TEL. NO. (512) 970-0745
(please type or print name)

Please visit: <https://das.nh.gov/purchasing/vendorresources.aspx> (click on "Bid and Proposals") for complete bid and addendums



**STATE OF NEW HAMPSHIRE
 DIVISION OF PROCUREMENT AND SUPPORT SERVICES
 BUREAU OF PURCHASE AND PROPERTY
 STATE HOUSE ANNEX
 25 CAPITOL STREET
 CONCORD, NEW HAMPSHIRE 03301-6398**

DATE OF CHANGE: August 10, 2023

ADDENDUM # 2 TO BID INVITATION 2703-23

DATE OF BID CLOSING: ~~8/11/2023~~ ~~8/16/2023~~ 8/24/2023 **TIME OF BID CLOSING: 10:00 AM (EST)**

FOR: INDEPENDENT VERIFICATION & VALIDATION SERVICES OF ENTRPRISE RESOURCE PLANNING IMPLEMENTATION

Currently Reads:

8. Timeline

8.1 The timeline below is provided as a general guideline and is subject to change. The State reserves the right to amend this schedule at its sole discretion and at any time through a published Addendum.

Action	Target Completion Date
RFP Released to Proposers (Advertisement)	7/14/2023
Deadline for Bidder Questions/RFP Clarifications	7/28/2023
Bidder Questions Answered	8/9/2023
Proposals Due	8/16/2023

Change to Read:

8. Timeline

8.1 The timeline below is provided as a general guideline and is subject to change. The State reserves the right to amend this schedule at its sole discretion and at any time through a published Addendum.

Action	Target Completion Date
RFP Released to Proposers (Advertisement)	7/14/2023
Deadline for Bidder Questions/RFP Clarifications	7/28/2023
Bidder Questions Answered	8/18/2023
Proposals Due	8/24/2023

PURCHASING AGENT: Mathew Stanton
Email: NH.Purchasing@das.nh.gov

NOTE: ALL CHANGES TO BID SOLICITATION NOTED IN ADDENDUMS WILL SUPERSEDE PREVIOUSLY SUBMITTED DOCUMENTS AND MUST BE SUBMITTED WITH THE BID. ALL OTHER SPECIFICATIONS REMAIN UNCHANGED AND VALID.

BIDDER International Consulting Acquisition Corp.
d/b/a ISG Public Sector **ADDRESS** 2187 Atlantic Street, Stamford, CT 06902



BY Nathan L. Frey
(this document must be signed)
Nathan Frey TEL. NO. 512 970-0745
(please type or print name)

Please visit: <https://das.nh.gov/purchasing/vendorresources.aspx> (click on "Bid and Proposals") for complete bid and addendums.



**STATE OF NEW HAMPSHIRE
DIVISION OF PROCUREMENT AND SUPPORT SERVICES
BUREAU OF PURCHASE AND PROPERTY
STATE HOUSE ANNEX
25 CAPITOL STREET
CONCORD, NEW HAMPSHIRE 03301-6398**

DATE OF CHANGE: August 18, 2023

ADDENDUM # 3 TO BID INVITATION 2703-23

DATE OF BID CLOSING: 8/24/2023

TIME OF BID CLOSING: 10:00 AM (EST)

FOR: INDEPENDENT VERIFICATION & VALIDATION SERVICES OF ENTERPRISE RESOURCE PLANNING IMPLEMENTATION

Clarification:

The State of New Hampshire is actively engaged with the Infor project team to establish and approve a comprehensive project plan for implementation. We anticipate commencing project work with Infor in early October, 3 months earlier than referenced in the attached Infor contract. Therefore, the State requests that interested IV&V vendors respond in alignment with a project duration of 18 total months and the requirements defined herein. Please note that 18 months includes the 15 month CloudSuite timeline referenced in the Infor contract plus 3 months attributed to an earlier start.

Amend Section V Contract Terms to include the following:

TRAVEL EXPENSES

Travel expenses shall be included in a vendors firm fixed response to this RFP and shall be based on the following:

Meals & Incidentals shall not exceed the GSA published rates (Per Diem Rates | GSA) for Concord New Hampshire, Merrimack County or local surrounding communities unless approved in advance by the State.

Vehicle rentals associated with on-site contractor resources shall be limited to compact size vehicles unless previously approved by the State.

Daily lodging rates shall be in accordance with GSA Published rates(Per Diem Rates | GSA) for Concord New Hampshire, Merrimack County or local surrounding communities.

The following list is representative of local venues honoring government rates.

- Hampton Inn
- Holiday Inn
- Fairfield Inn
- Comfort Inn
- Residence Inn
- Best Western

Question #1. Concerning Client References (RFP Section 15.8.2) Can the State explain what the differences are between response requirements 15.8.2.1 and 15.8.3 and whether both are required?

15.8.2.1. Client name;

15.8.2.2. Client size (total employees);

15.8.2.3. Services provided;

15.8.2.4. Tenure as client (number of years);

15.8.2.5. Name and telephone number.

15.8.3. What are three of your company's past clients that used you for IV&V of an ERP Implementation?

15.8.3.1. Client name;

15.8.3.2. Client size (total eligible employees);

15.8.3.3. Number of employees;

15.8.3.4. Services provided;

15.8.3.5. Tenure as client (number of years);

15.8.3.6. Name and telephone number.

States Response #1. Both are a required; 15.8.2.1 is to provide general client references. 15.8.3 is a requirement to provide references specific to IV&V engagements of ERP implementations.

Question #2. Does the State want our response in the RFP document or can we use our own template?

States Response #2. Responses are required on RFP documents. Company templates are accepted in addition, provided all page limits and requirements of the RFP are met. In the event of any discrepancy between company template responses and the RFP document, the RFP document and responses shall prevail. Please refer to Exhibit #5 Bidder Exhibit Checklist.

Question #3. Does the State require a signed original copy of the RFP to be included with the vendor proposal? Would one original copy of the RFP with the contractor's initials and date line filled out on each page be sufficient, or does the vendor need to submit a total of seven copies of the RFP with initials and dates?

States Response #3. Yes, the State requires a signed original copy of the RFP to be submitted. Copies of the signed bid are acceptable for additional quantity requested.

Question #4. RFP Section 3.11 states, "The vendor shall conduct health assessments at intervals approved by the State." The frequency of conduct for the health assessments has a significant impact on project cost. Will the State confirm that the most likely interval for health assessments will be monthly?

States Response #4. The State requires bi-weekly health assessments with an executive health assessment monthly.

Question #5. RFP Section 3.12 states, "The vendor shall conduct on-site fact-finding and update governance oversight with findings and recommendations." Is the State seeking a certain percentage of the fact-finding to be conducted on-site versus remotely?

States Response #5. All business process review (BPR) shall be conducted on-site and our expectation is that IV&V will be on site for the BPR. The State also requires on-site resources be present during testing.

Question #6. RFP Section 2.3 states, "Infor has been selected and contracted as the System Integrator for the ERP modernization project." Has the State established an expected percentage of the work performed by Infor as System Integrator to be performed on-site versus remote?

States Response #6. There is no specific percentage of work required by Infor to be on site or remote. In any case, the majority of business process review, design, and testing will be done on site. Please review

the following contract under Fixed Price Deliverables beginning on page #30, the contract may be found at the following link: [8003305](#).

Question #7. Is the State dedicating a project management team and/or project staff to the ERP modernization Project? What is the State's plan for project team members to work on-site versus remote?

States Response #7. The State has a dedicated Program Manager and Project Staff. The appropriate State project team staff will work on the project on-site as subject matter requires barring unique circumstances.

Question #8. RFP Section 3.1 states, "The vendor will provide these services as defined below during an anticipated 14-month period beginning in September 2023." However, Section 2.4.3.1 mentions a duration of "14 Months plus 1 Month post-go-live Support." Should the cost proposal be limited to 14 months or a total of 15 months to include the post-go-live support period?

States Response #8. Responses should include the additional month of post go live support, meaning 15 months.

Question #9. Regarding RFP Section 3.13.1, under what circumstances would the State determine the need to adjust time estimates up or down? Is this envisioned as a part of negotiations and contracting to arrive at a fixed fee for IV&V services?

States Response #9. The duration of the CloudSuite project is 18 months. Please reference the implementation project plan provided by INFOR in the attached contract and incorporated as a component of the IV&V contract.

Question #10. RFP Section 15.9.1.1 mentions "audits, both claim and fiscal" as applicable to the bidder's quality assurance program. Please clarify the applicability of this request. Does this refer to the audit of claims and fiscal transactions relating to Infor Global Consulting as mentioned in Section 15.9.1?

States Response #10. This means costs associated to deliverables within the contract ensuring each contract deliverable has been met in full and the State should release payment to Infor.

Question #11. RFP Section 15.10.2 appears to reference "the following types of reports to monitor the Plan's performance" that would typically be provided by the systems integrator (i.e., Infor) and reviewed by the IV&V vendor. Is the expectation that the IV&V will produce summary reports and metrics independent of Infor and State project management? If so, please elaborate on the types of reports that are expected beyond the monthly health assessment report card (i.e., report).

States Response #11. No. The State expects a bi-weekly report assessing the deliverables presented by Infor and a monthly executive report. The State requires that the IV&V provider review the Infor's metrics for validity and assist the State in developing its own project metrics and then provide reports on both.

Question #12. Exhibit #1, Bidder Total Projected Cost Factors, states that the bidder should "complete and return Exhibit #1 hourly rate table including all staff resources, rates, number of hours for each competency." Does the State have a preferred format for this hourly rate table? Is there a format for the response of other cost elements mentioned in Section 16, Phase 2 Cost Proposal?

States Response #12. Please complete Attachment #1 Independent Verification and Validation Hourly Rate Table. All cost factors should be submitted including itemized detail and depicting grand total project cost. Exhibit #1 has been expanded to allow for complete itemized cost elements; please input all associated costs into Exhibit #1 format for submission.

Question #13. The table per Section 15.12.1.4 mentions “Review system hardware and software configuration and report on any compatibility and obsolescence issues.” The IV&V vendor can review configuration in light of required business processes and system requirements. However, with the Infor CloudSuite applications being provided via a Software-as-a-Service program, the IV&V vendor will have very limited ability to assess the underlying hardware for possible compatibility or obsolescence issues. We respectfully request that the State remove this requirement to review Infor hardware, as this should be governed by the State’s CloudSuite subscription agreement and related service level agreements.

States Response #13. The State will not remove this statement but will amend it to clarify the requirement of the IV&V vendor to evaluate software and hardware related to the overall solution. There may be 3rd party software or hardware that may be utilized or proposed beyond the Infor CloudSuite configuration including but not limited to data storage setups with the AWS environment, various reporting tools and or cursory products or add-ons used for data access that may or may not need to run on local devices, web browsers, etc. The State expects the IV&V to make recommendations to mitigate and/or explain any potential interoperability, configuration or long-term need or capacity considerations when/if such cases arise.

Question #14. Regarding Section 15.2, Performance Guarantees, when completing the table of performance guarantees, it appears that specific deliverables should be identified to mark the measurement of performance and completion of the measurement requirement. Would the State allow the addition of columns to this table to note the associated deliverable and estimated delivery date against which performance will be measured?

States Response #14. The purpose of Performance Guarantees are to motivate a contractor to perform as required under a contract. The State always prefers a contractor to perform as required under the contract. No alterations to the table shall be permitted, for the purpose of scoring please identify willingness to place fees at risk as requested. Respondents may offer additional categories and fees at risk consistent with 15.12.1.2. Final performance guarantee measurements will established and agreed upon based on the final project plan.

Question #15. Regarding the table in Section 15.2, Performance Guarantees, the requirement for “5% of total fixed fee pricing” is repeated eight times for each category of guarantee. Is the State’s intent that the maximum at risk for the entire project is 5% of total fixed fee pricing across all categories? Alternatively, is the expectation that potentially 40% of the fixed fee pricing (5% x 8 = 40%) is at risk?

States Response #15. The purpose of Performance Guarantees are to motivate a contractor to perform as required under a contract. The State always prefers a contractor to perform as required under the contract. Each performance guarantee will be separately evaluated. The State requires 5% of total fixed fee pricing for each of the deliverables listed.

Question #16. Section 15.12.1.2 implies the State’s desire to hold the bidder accountable “to monitor the success of the program” versus recouping fees as a punitive measure. Many public sector technology projects provide for the use of a payment retainage as the mechanism to encourage and ensure satisfactory vendor performance. Will the State accept the proposal of a retainage against monthly payments as an alternative to the “fees at risk” approach requested in the RFP?

States Response #16. No, the State requires bidders place fees at risk for each performance guarantee.

Question #17. Section 15.12.1.3 mentions the measurement of all guarantees on a monthly and quarterly basis. How does that relate to the expectation that the fixed fee pricing will be billed on a monthly basis as IV&V services are provided? For example, the development of the IV&V project work plan is a discrete event versus monitoring of the budget, which would be an ongoing activity. How would the State determine that amount potentially subject to refund if bidder performance is in dispute?

States Response #17. The purpose of Performance Guarantees are to motivate a contractor to perform as required under a contract. The State always prefers a contractor to perform as required under the contract. The State reviews self-reporting metrics as compared to ongoing internal project status reporting in accordance with contract terms. Performance Guarantee percentages for ongoing deliverables will prorated consistent with each category.

Question #18. Section 15.12.1.2.1 mentions the award of “up to 3 points as a component of the technical score” for increased fees at risk or additional performance measures. If the bidder proposes alternative means of guaranteeing performance (e.g., retainage), would the bidder also be eligible for award of those 3 points?

States Response #18. Please see State Response #16.

Question #19. In the final row, column two of the table in Section 15.12, please define the acronym “DEAM”.

States Response #19. DEAM is an acronym for the Division of Enterprise Applications Management, a division of the State of New Hampshire Department of Administrative Services.

Question #20. Exhibit 3 – A most recent A.M. Best Financial Strength Rating Report is requested in Exhibit 3. Can we instead provide a Dun & Bradstreet report?

States Response #20. Dun and Bradstreet is an acceptable alternative report.

Question #21. Contract Language. Would the State consider adding the following additional terms for the contractual arrangement with Contractor:

- a. Nothing herein shall change the ownership of Contractor’s pre-existing materials and revisions that may be made to such pre-existing materials by or on behalf of the State from time to time. The pre-existing materials shall remain the sole and exclusive property of Contractor and the State is granted a perpetual, irrevocable, worldwide, royalty free, non-exclusive, non-transferable right to use the pre-existing materials for its internal purposes.
- b. Except as provided herein with respect to any indemnity provision for third party claims, breach of confidentiality, breach of security, death, bodily injury, damage to property, gross negligence, willful misconduct or as otherwise prohibited by applicable law or regulation, in no event will Contractor be liable to the State for any incidental, indirect, special, or consequential damages or lost profits or savings and the aggregate total liability of Contractor arising from or related to the engagement of Contractor, whether in contract, breach of warranty, tort, or otherwise, shall not exceed the contract price.

States Response #21. a. The state does agrees that a vendor will retain its rights to its own intellectual property, provided that the State will have the right to keep any work product produced by the vendor under the terms and conditions of the resulting contract. b. The state is unable to accept this request.

Question #22. Section 8 states that the proposal is due on Friday, August 11th at 10am. Section 4.1.1.2 and 4.1.1.3 require a hard copy submission delivered to the Concord, NH address as of Wednesday, August 9th at 10am.

Are both electronic and hard copies required?

If yes, is it possible to make both due dates the same day and time - Friday, August 11th at 10am?

States Response #22. Both Electronic and Hard copies are required by the State. The State changes section 4.1.1.3 to align with the posted RFP closing date of August 24, 2023 @ 10:00AM consistent with Addendum #2.

Question #23. We understand DAS has 351 employees and that DAS' ERP system supports modules for 13,000 employees across the State. Could the State please provide how many end-users will interact with the new ERP system (i.e., number of training participants)?

States Response #23. The State anticipates training as many as 3500 users consisting of HR, Payroll, Benefits, Financial, and Supply Chain users. The number of participants is not relevant to IV&V responsibilities.

Question #24. The list of ERP Project areas to assess in Section 3.5 (i.e., cost, schedule, scope, risks/issues, project quality, stakeholder satisfaction, stakeholder engagement, and project management) does not align one-to-one with the groupings of tasks to be performed as listed later in Section 3.15.11 (i.e., Project Estimating and Scheduling, Project Staffing, etc.). Would the State please clarify which areas we will be expected to assess? This will help inform our approach and report structure.

States Response #24. 3.15.11 is a deeper level of 3.5. The expectation is to assess both.

Question #25. The State has requested the selected bidder conduct "independent verification of deliverables" and "review of key Project deliverables" (Section 3.14). Could the State please now provide the expected list of deliverables for the selected bidder to conduct independent verification of deliverables? If not, does the State have an estimate of how many deliverables it is requesting for the bidder to review?

States Response #25. Please review the contract between the Department of Administrative Services and Infor that was attached to the RFP.

Question #26. Section 3.12 states "The vendor shall conduct on-site fact-finding and update governance oversight with findings and recommendations." Is the State open to a fully remote approach?

If not, is the State willing to consider a hybrid approach and if so, what would the State's on-site expectations be?

States Response #26. See States Response #5 above.

Question #27. If the State requires all IV&V work to be performed on-site, could the State please clarify what level of involvement our team will be expected to be present for (e.g., fully embedded in the Project Monday-Friday during all business hours)?

States Response #27. See States Response #5 above.

Question #28. Could the State please clarify how our response to Exhibit 2 is related to our proposed staff's qualifications and experience with IV&V services?

States Response #28. General information about the bidders company is evaluated and assessed to ensure a companies ability to provide services as requested.

Question #29. Section 15.8.2 requests three client references, including the client's name, number of employees, services provided, tenure as client, and telephone number.

Section 15.8.3 requests three previous ERP IV&V clients, including the client's name, number of employees, services provided, tenure as client, and telephone number.

Could the State please clarify how our response to Section 15.8.3 should differ from Section 15.8.2, as they appear to be duplicative? Does the State plan to contact clients listed in both Sections 15.8.2 and 15.8.3?

States Response #29. See States Response #1 above

Question #30. Regarding the State's request in Section 15.7.8 to "specify if the IV&V team is going to be full time participating in the day-to-day activities of the ERP implementation or if they would be engaged periodically at certain stages of the implementation project."

Could the State please provide additional information on how point-in-time approaches and full-time approaches to providing IV&V services will be compared to one another?

Our concern is that these two approaches, while both beneficial for ERP implementation projects, are very different in scope/approach, level of effort, and cost required. Therefore, proposals that leverage different approaches will not be comparable to one another.

Also, given the State's request in Section 3.15.6 for the selected bidder to "perform recurring verification, validation, and reporting efforts monthly and for each end of phase/wave as defined by the project schedule", we do not believe a point-in-time approach to providing monthly IV&V reports that covers the tasks needed by the State is possible.

Is the State open to limiting proposed approaches to only full-time IV&V so that the State can effectively compare and evaluate proposals and help ensure the State's request for monthly reporting efforts are satisfied?

States Response #30. This RFP requires full time imbedded IV&V services. The intensity of service delivery will adjust at certain points in time during the contract. An example of less intense service requirements may include periods of time when Infor is configuring. Please see State Response #3.

Question #31. Is the State willing to consider references from comparable IV&V engagements for ERP implementation projects for Canadian provinces as a substitute for "a US State, County or City where the Vendor has provided IV&V services for a similar implementation"?

States Response #31. Yes, as long as they are large and complex (equivalent to a state, county or city).

Question #32. In the subsections relating to Section 15.9.1.1, is the State looking for information on how the winning bidder will perform quality assurance on its deliverables to the State, or quality assurance on Infor Global Consulting's deliverables to the State?

States Response #32. Quality assurance on Infor Global Consulting's deliverables to the State.

Question #33. Could the State please clarify its meaning and expectations of the following:

- A. Conducting "Audits, both claim and Fiscal" and what this would involve during the engagement?
- B. Applying "Performance standards" to quality assurance as part of our IV&V service?
- C. Reporting "issues to the plan" upon identifying issues during our IV&V fact-finding activities?
- D. Reviewing supervision and management "to train staff for future resolution?"
- E. Analyzing "documented work processes for improvement over time?"

States Response #33.

- A. See States Response #10 above
- B. Working with the State to define and develop performance standards against which to measure Infor performance
- C. the vendor is required to provided bi-weekly and monthly reporting. Nonetheless if in its review the IV&V vendor discovers significant risk to the project it should immediately identify the concerns.
- D. If a challenge cannot be mitigated prior to go-live then what can be done to train on a work around if needed.
- E. If a challenge cannot be mitigated prior to go-live then what can be done to train on a work around if needed.

Question #34. Could the State please clarify whether it intends for IV&V bidders to respond to Section 15.11 (prompts for implementation approach, implementation team, relationship management, regular communication, issue management, project management tools)?

Section 15.11 (Implementation) has a 2-page limit and appears to be repetitive of the prompts in other sections (which have page limits that will allow us to more thoroughly address the State's prompts):

- Section 15.6 (prompts for implementation approach)
- Section 15.7.4 (implementation team)
- Section 15.7.8 (relationship management)
- Section 15.9.1.1.3 (issue management and communications)

- Section 15.7.3 (project management tools)

States Response #34. These can be addressed as a reference point in the 2 page summary, then further detailed elsewhere.

Question #35. Could the State please provide their expectations for the level of IV&V resource involvement (i.e., how many full-time equivalent resources or hours per week/month)?

States Response #35. The State requires full-time engagement. It is the responsibility of the vendor to review the contract requirements and propose appropriate staff resources to fulfill the contract terms and requirements of this RFP.

Question #36. Page 18, Section #11.1.1 and again on pg. 40, Exhibit # 3: Vendor requests an exception to the requirement to provide audited financial statements.

As a privately held CPA firm we do not open our books or records to other CPA firms since they are our direct completion. We can, however, provide financial statements that show our financial strength and stability. Would the substitution be amenable?

States Response #36. Yes, provided financial statements demonstrate financial strength and stability acceptable by the State.

Question #37. Page 35, Section # 13: Vendor requests and exception to the contract's indemnification language because it is not covered by our insurance ("reasonable attorneys' fees").

Our firm carries a \$10 million professional liability policy which protects us and our clients from claims of negligence in professional services. However, the policy itself contains language within it that states that it will not apply to a project when we take on additional liabilities such as an agreement to indemnify for something other than negligence, or costs, or attorneys fees under a contract. Would striking the contract's indemnification language be amenable?

States Response #37. The State is unable to accept this proposed change.

Question #38. Will IV&V vendors be allowed to review a redacted version of the Infor SOW (fees/rates not needed) so we can understand the specific deliverables, work products, documentation, PMO artifacts, etc. that will be in-scope and accessible for the IV&V?

States Response #38. The Infor contract was attached to the RFP and the SOW is within the exhibits.

Question #39. Related to section 3.11 of RFP, is there any sense of the frequency of the requested health assessments intervals? (i.e. monthly, quarterly, by major program phase)

States Response #39. Please see State Response #4

Question #40. Has a detailed project plan been created for the Infor implementation? Will IV&V vendors be allowed to review and incorporate timing of deliverables and milestones into the IV&V approach? Or will detailed project plan only be released after IV&V vendor has been selected/contracted?

States Response #40. The detailed project plan is underdevelopment will not be available to the IV&V vendor until after a contract is approved between the State and the IV&V vendor. Once the complete project plan is available, the winning bidder will be involved in review and report out of its contents.

Question #41. What is approximate number of interfaces and integrations with outside boundary systems?

States Response #41. The State has projected approximately 200 interfaces and integrations.

Question #42. Is there a separate Controls workstream? Or are controls being designed and tested as part of routine system functionality? If separate, is there an outside vendor with controls/audit/risk expertise being contracted to lead the Controls workstream?

States Response #42. There is not a separate controls workstream.



Question #43. Will standard, out-of-the-box Infor roles be deployed to end-users? Or will future state roles be designed using an SOD methodology and SOD testing tools?

States Response #43. The State plans to use out of the box roles. Ultimately, the State would like roles to be governed by position so they are inherent to the position rather than person occupying the position.

Question #44. What other project tools will be used? (i.e. testing platforms, PMO tools, documentation and files sharing repositories, etc.)

States Response #44. Other tools may vary but the State uses Microsoft products such as TEAMS, EXCEL, Word, SharePoint, etc.

PURCHASING AGENT: Mathew Stanton

Email: NIL.Purchasing@das.nh.gov

NOTE: ALL CHANGES TO BID SOLICITATION NOTED IN ADDENDUMS WILL SUPERSEDE PREVIOUSLY SUBMITTED DOCUMENTS AND MUST BE SUBMITTED WITH THE BID. ALL OTHER SPECIFICATIONS REMAIN UNCHANGED AND VALID.

BIDDER International Consulting Acquisition Corp. **ADDRESS** 2187 Atlantic Street, Stamford, CT 06902
 db/a ISG Public Sector

BY *Nathan L. Frey*
 (this document must be signed)
 Nathan Frey **TEL. NO.** 512 970-0745
 (please type or print name)

Please visit: <https://das.nh.gov/purchasing/vendorresources.aspx> (click on "Bid and Proposals") for complete bid and addendums.



18. Appendix C – ISG Financial Audited Statement

On the following pages is ISG's 2022 10K. For all ISG financial reports visit: <https://ir.isg-one.com/corporate-profile/default.aspx>

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549
FORM 10-K**

(Mark One)

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2022
Or
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission File Number 001-33287

Information Services Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

20-5261587
(I.R.S. Employer Identification Number)

**2187 Atlantic Street
Stamford, CT 06902**

(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: **(203) 517-3100**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Shares of Common Stock, \$0.001 par value	III	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. "

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). "

The aggregate market value of the voting common stock, par value \$0.001 per share, held by non-affiliates of the registrant computed by reference to the closing sales price for the registrant's common stock on June 30, 2022, as reported on the Nasdaq Stock Market was approximately \$268,044,627.

In determining the market value of the voting stock held by any non-affiliates, shares of common stock of the registrant beneficially owned by directors, officers and other holders of non-publicly traded shares of common stock of the registrant have been excluded. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of March 2, 2023, the registrant had outstanding 48,408,104 shares of common stock, par value \$0.001 per share.

Documents Incorporated by Reference

Document Description	10-K Part
Portions of the Proxy Statement for the 2023 Annual Meeting of Stockholders (the "Proxy Statement"), to be filed within 120 days of the end of the fiscal year ended December 31, 2022, are incorporated by reference in Part III hereof. Except with respect to information specifically incorporated by reference in this Form 10-K, the Proxy Statement is not deemed to be filed as part hereof.	III (Items 10, 11, 12, 13, 14)

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SIGNATURES PAGE

SAFE HARBOR STATEMENT

Information Services Group, Inc. (the “Company” or “ISG”) believes that some of the information in this Annual Report on Form 10-K constitutes forward-looking statements. You can identify these statements by forward-looking words such as “may,” “expect,” “anticipate,” “contemplate,” “believe,” “estimate,” “intends” and “continue” or similar words, but this is not an exclusive way of identifying such statements. You should read statements that contain these words carefully because they:

- discuss future expectations;
- contain projections of future results of operations or financial condition; or
- state other “forward-looking” information.

These forward-looking statements include, but are not limited to, statements relating to ISG’s:

- ability to retain existing clients and contracts;
- ability to integrate recent acquisitions;
- ability to navigate challenges from pandemics, such as coronavirus (COVID-19);
- ability to win new clients and engagements;
- ability to implement cost reductions and productivity improvements;
- beliefs about future trends in the sourcing industry;
- expected spending on sourcing services by clients;
- growth of our markets;
- foreign currency exchange rates;
- effective tax rate; and
- competition in the sourcing industry.

ISG believes it is important to communicate its expectations to its stockholders. However, there may be events in the future that ISG is not able to predict accurately or over which it has no control. The risk factors and cautionary language discussed in this Annual Report provide examples of risks, uncertainties and events that may cause actual results to differ materially from the expectations in such forward-looking statements, including among other things:

- the amount of cash on hand;
- our ability to achieve or maintain adequate utilization for our consultants;
- our business strategy;
- cost reductions and productivity improvements may not be fully realized or realized within the expected time frame;
- continued compliance with government regulations;
- legislation or regulatory environments, requirements or changes adversely affecting the business in which ISG is engaged;
- fluctuations in client demand;
- our ability to grow the business and effectively manage growth and international operations while maintaining effective internal controls;
- our ability to hire and retain enough qualified employees to support operations;
- increases in wages in locations in which ISG has operations;
- our ability to retain senior management;
- fluctuations in exchange rates between the U.S. dollar and foreign currencies;
- our ability to attract and retain clients and the ability to develop and maintain client relationships based on attractive terms;
- legislation in the United States or elsewhere that adversely affects the performance of sourcing services offshore;
- increased competition;
- telecommunications or technology disruptions or breaches;

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- pandemics, such as COVID-19, or natural or other disasters;
- our ability to protect ISG intellectual property and the intellectual property of others;
- the international nature of ISG's business;
- political or economic instability in countries where ISG has operations;
- worldwide political, economic and business conditions; and
- our ability to source, successfully consummate or integrate strategic acquisitions.

All forward-looking statements included herein attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Annual Report. Except to the extent required by applicable laws and regulations, we undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this Annual Report or to reflect the occurrence of unanticipated events.

You should also review the risks and uncertainties we describe in the reports we will file from time to time with the SEC after the date of this Annual Report.

PART I

Item 1. Business

As used herein, unless the context otherwise requires, ISG, the registrant, is referred to in this Form 10-K annual report (“Form 10-K”) as the “Company,” “we,” “us” and “our.”

Our Company

Information Services Group, Inc. (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 900 clients, including more than 75 of the top 100 enterprises in our markets, ISG is committed to helping corporations, public sector organizations and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; technology strategy and operations design; change management; market intelligence and technology research and analysis. Based in Stamford, Connecticut, ISG employs approximately 1,600 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry’s most comprehensive marketplace data. For more information, visit www.isg-one.com.

Our Company was founded in 2006 with the strategic vision to become a high-growth, leading provider of information-based advisory services. We continue to believe that our vision will be realized through the acquisition, integration and successful operation of market leading brands within the data, analytics and advisory industry.

Our private and public sector clients continue to face significant technological, business and economic challenges that will continue to fuel demand for the professional services we provide. We are focused on providing unique solutions that solve for key client problems. In the private sector, for example, we believe that companies will continue to face significant challenges associated with globalization and technological innovation, including the need to decrease operating costs, increase efficiencies, compete against new market entrants and evaluate and adopt increasing numbers of emerging and transformational technologies such as cloud computing and automation. Similarly, public sector organizations at the national, regional and local levels increasingly must deal with the complex and converging issues of outdated technology systems, reduced budgets and an aging workforce. These technological challenges have only been intensified by the COVID-19 pandemic and the resulting remote or hybrid work environment and, therefore, present further opportunity for ISG to assist our private and public sector clients with digital transformation services.

Overall, we believe the global marketplace dynamics at work in both the private and public sectors support growing demand for the professional services, analytics, platforms and advice ISG can provide. In this dynamic environment, the strength of our client relationships greatly depends on the quality of our advice and insight, our unique and valuable datasets, the independence of our thought leadership and the effectiveness of our people in assisting our clients to implement strategies that successfully address their most pressing operational challenges.

We are organized as a corporation under the laws of the State of Delaware. The current mailing address of the Company’s principal executive office is Information Services Group, Inc., 2187 Atlantic Street, Stamford, CT 06902. Our telephone number is (203) 517-3100.

Our Services

ISG specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; technology strategy and operations design; change management; market intelligence and technology research and analysis. ISG supports both private and public sector organizations to transform and optimize their operational environments. During periods of expansion or contraction, our services have helped organizations large and small, public or private, across the globe address their most complex operational issues. The functional domain experience of our experts and deep empirical data resources help clients better understand their strategic options.

The firm’s operating model, ISG NEXT, launched in the third quarter of 2020 and is aimed at extending our market leadership, enhancing growth opportunities and driving significant value for all stakeholders. Under ISG NEXT, we are pivoting from services to solutions to address our clients’ most pressing business challenges in two areas most important to them—their continuing digital transformation and getting the most from their digital investments. To meet these needs, we have formed two global client solution areas: ISG Digital, focused on developing technology, transformation, sourcing and digital solutions for clients, and ISG Enterprise, focused on helping clients manage change and optimize operations in such areas as finance, human resources (“HR”) and Procure2Pay.

Our core solutions are supported by ISG Research, with its extensive market analyses and provider evaluations, our ISG Network and Software Advisory services and our software platforms, including ISG GovernX®. We also are building more industry-specific capabilities in such areas as banking, insurance and smart manufacturing.

Every client engagement now passes through our dedicated Solution Hub to bring the best thinking, tools and capabilities to bear to solve every client challenge. Integrated solutions are then delivered through our new ISG iFlex™ global delivery model, which enables us to rapidly deploy our resources to support clients, regardless of geography or time zone.

Our Competitive Advantages

We believe that the following strengths differentiate us from our competition:

- *Independence and Objectivity.* We are not an information technology or business process outsourcing service provider. Rather, we are an independent, fact-based data, analytics and advisory firm with no material conflicting financial or other interests. This enables us to maintain a trusted advisor relationship with our clients through our unbiased focus and ability to align our interests with those of our clients.
- *Domain Expertise.* Averaging over 20 years of experience, our strategic consulting teams bring a wealth of industry and domain-specific knowledge and expertise to address our clients' most complex transformational needs.
- *Strong Brand Recognition.* ISG continues to gain marketplace awareness as a leading brand in our industry. ISG offers integrated solutions to our clients.
- *Proprietary Data Assets and Market Intelligence.* We have assembled a comprehensive and unique set of data, analytics and market intelligence built over more than 30 years of data collection and analysis, providing insight into the comparative cost and quality of a variety of operational alternatives.
- *Global Reach.* We possess practical experience in global business operations, and we understand the significance of interconnected economies and companies. Our resources in the Americas, Europe and Asia Pacific make us a truly global advisory firm able to consistently serve the strategic and implementation needs of our clients.

We believe the above strengths are central to our ability to successfully advise and support our clients to address any business challenge.

Our Strategy

We intend to use our competitive strengths to develop new services and products, sustain our growth and strengthen our existing market position by pursuing the following strategies:

- *Preserve and Expand Our Market Share Positions.* We expect the trend toward globalization and greater operating efficiency and technological innovation to play an increasing role in the growth in demand for our services. We plan to leverage our combined operating platform to serve the growing number of private- and public-sector organizations utilizing outside advisors when undertaking transformational projects. We are focused on growing our existing client base by offering integrated solutions that combine our multiple services and capabilities. In addition, we will seek to continue to expand our products and services and the geographic markets we serve opportunistically as global competition spurs demand for cost savings and value creation.
- *Preserve Our Financial Positions.* In its pursuit of the firm's growth initiatives, we are committed to maintaining a strong financial position with flexibility and liquidity. We believe that maintaining a financial profile that supports an investment grade credit rating is important to this long-term strategy. The priorities for uses of available cash include payment of dividends, funding growth, repurchases of shares and debt reduction. In addition, we expect strong cash flow generation and a strong balance sheet to support the current financial strategy.
- *Strengthen Our Industry Expertise.* We have strengthened our market-facing organization to drive increased revenue around 22 global industries: Automotive, Aerospace & Defense, Banking, Chemicals, Consumer Goods, Energy & Utilities, Financial Services, Government, Health Care, Insurance, Life Sciences, Manufacturing, Media & Entertainment, Metals & Mining, Pharma/Biotech/Medical Devices, Private Equity & M&A, Public Sector & Education, Retail, Technology & Service Providers, Telecommunications, Transportation & Logistics and Travel & Hospitality.
- *Aggressively Expand Our Market Focus.* We are seeking to drive our service portfolio and relationships with clients further into Digital Advisory Services, including Cloud Solutions, Automation, Business Advisory Services, Cybersecurity, Digital Engineering, Strategy, Data & Analytics, Transition and Organizational Change and Network Advisory. These are all areas in which we are investing additional focus to drive increased revenues and expanded relationships with clients.

- *Continue to Develop Digital Cloud Competency.* There is a nexus of distinct, yet complementary, technology trends that are creating a perfect storm of disruption in the market. Among the most significant technology trends are the speed with which products get to market, large-scale digitization, the efficiency of the cloud and the immediacy with which new disruptors can become omnipresent. We continue to see clear opportunities in the execution of large-scale digital transformation – helping enterprises in executing their transformations by using their large technology platform and partner ecosystems. Increasingly, clients are taking a more agile approach, working incrementally on continuous transformation to meet rapidly changing technology and business conditions. Our offerings around cost optimization have never been more important as enterprises seek funds to invest in programs aimed at realizing their digital ambitions. The pandemic continues to accelerate client demand for, and investment in, the digital transformation services ISG provides.

ISG plans to expand resources and intellectual property (“IP”) around digitization and the cloud. Processes that were once executed over analog channels (such as phone and ‘real life’) increasingly occur in a digital model. Also, digitization has elevated the profile of software. Software no longer merely supports business processes but is central to enterprise strategy. Our purpose in the digital marketplace is to be a trusted advisor, guiding our clients through digital transformation toward practical innovation of their business models, leveraging strategic partners, emerging technology and thought leadership.

Our digital services now span a volume of offerings and have become embedded as part of our traditional transaction services. Advancements continue to be made to ‘digitize’ further our traditional services. For example, we have continued the modernization of our traditional sourcing services toward digital with the launch of ISG FutureSource™ which has brought agility and nimbleness to the process of sourcing, RFPs and contracting. ISG FutureSource is a unique and comprehensive sourcing solution that helps enterprises and public sector organizations evaluate their business requirements, identify desired outcomes, fast-track the provider identification and selection process, collaborate with providers on developing the right solution, get to a signed contract and transition operations faster than ever before.

ISG also continues to expand the capabilities of its ISG GovernX vendor compliance and risk management platform. This proprietary ISG software platform continues to drive broader insights from additional market and performance data, while delivering increased value to our clients. ISG GovernX leverages cognitive technology to automate the management of third-party supplier relationships, including contract and project lifecycles and risk management. It provides a complete, customized view of the user’s contract and supplier ecosystem to improve supplier performance, decrease spend and reduce third-party risk. Enterprises can leverage the platform to deliver up to 30 percent more value from their outsourcing spend. ISG GovernX users can easily manage new contracts and proactive renewals, make timely amendments and handle contract terminations—all on one platform. The platform delivers easy integration with other enterprise applications, such as ServiceNow, and is tightly connected to ISG Research offerings, such as benchmarks, assessments and total-cost-of-ownership evaluations. In times of crisis, ISG GovernX clients can mitigate supply chain risks and ensure business continuity by reviewing and validating their providers’ business and IT continuity plans and procedures. In 2021, ISG GovernX was enhanced with real-time third-party risk management capabilities. The new capabilities, including integrated data feeds and real-time alerts, are increasingly important as provider ecosystems continue to grow more complex, introducing more risk to the enterprise, and threats against supply-chain integrity become more diverse. In addition to monitoring the operational performance and financial viability of their suppliers, ISG GovernX helps enterprises address a range of other internal and external risks, from data security and regulatory issues, to adverse environmental, health and geopolitical events, to social responsibility, diversity and inclusion considerations. In 2021, ISG introduced a dedicated advisory and risk management service to help enterprises ensure their businesses and supply chains are in compliance with modern slavery laws. ISG helps clients develop a modern slavery framework, review and update policies across the enterprise, conduct training, map their entire supply chain and add modern slavery clauses to contract templates, while the ISG GovernX platform provides thorough, timely reporting through its automatic alert feature.

We have also launched ISG Inform™ 2.0, an enhanced version of our data-as-a-service™ solution that provides benchmarking capability to track digital transformation and application development maturity and performance against industry peers. ISG Inform 2.0 provides a quantified view of the health of the user’s enterprise IT landscape through a series of easy-to-read visual dashboards that display key performance indicators for infrastructure, applications and digital capabilities, compared with industry peers. Data and insights are drawn from the ISG sourcing database.

Robotic Process and Cognitive Automation technology is fundamentally reshaping the way businesses work. Automation is increasingly enabling automated 24/7/365 execution of business processes at a fraction of the cost of human equivalents, as well as the dramatic improvements in process execution and cost models.

ISG Automation offers clients a full portfolio of services, including automation assessments and strategy, proof-of-concept deployments, implementation and integration of software bots and establishment of centers of excellence to scale automation, as well as training and managed services.

- *Expand Emerging Services.* The focus will be on creating repeatable methods used to drive growth of emerging services, including ISG Automation; HR Technology & Transformations; Providers-as-a-Business; ISG Platform; ISG Network Select™; ISG Hyperscaler Services; ISG Digital Engineering; ISG Cybersecurity and ISG Training-as-a-Service.
 1. **ISG Automation:** ISG’s capabilities and service offerings include implementation services for Robotic Process and Cognitive Automation Technology. ISG Automation guides clients through the hurdles of adoption, ensuring the optimal future state with best-fit technologies. ISG Automation tailors programs to specific business needs and helps build governance that works inside the culture of our clients. The Automation market size is expected to continue to grow significantly over the next few years. Automation is fundamentally reshaping the world of Information Technology Outsourcing (“ITO”) and Business Process Outsourcing (“BPO”). Our solutions will work to optimize repetitive processes using ‘bots’ instead of human labor. ISG Automation will continue to be marketed by industry (e.g., claims processing for insurance) and by back-office functions (e.g., accounting).
 2. **HR Technology & Transformations:** Advances in technology are transforming the business of HR. From intuitive and mobile self-service software to predictive analytics and integrated talent management suites, technological solutions are changing the way leaders acquire, develop and engage their employees. New applications, enhanced functionality and competition among software providers make it difficult to stay on top of this ever-evolving space. ISG combines deep subject matter expertise, market data and financial frameworks along with sourcing of technology and service providers to help organizations develop and execute HR technology strategies that are right for them.
 3. **Providers-as-a-Business (“PaaS”):** Historically, ISG had targeted traditional service providers for these types of services, which included a combination of consulting and research solutions. These services include market intelligence, client retention programs, pursuit effectiveness, satisfaction benchmarking, go-to-market consulting and health checks.
 4. **ISG Platform:** We see growth opportunities in tool-enabling the part of consulting that solves for standard problems. The digital solutioning of ISG will reach its next level as we develop the ISG Platform, an integrated set of software-driven solutions, data and research that will allow us to increase our subscription-based recurring revenues and penetrate new market segments. ISG Inform and ISG GovernX will be at the core of the ISG Platform, as will our new set of offerings that will continue to streamline and digitize the provider selection process. In early 2022, ISG launched ISG Executive Insights™, a market intelligence and data analytics platform that addresses the challenges of managing increasingly complex supplier ecosystems. The new data-analytics-as-a-solution offering is powered by ISG’s market-leading data repository—the industry’s most comprehensive, curated database of global IT, business process and engineering outsourcing contracts—paired with ISG’s patented IT price benchmarking, market cost intelligence and other analytical tools. We continue to develop and invest in our ISG Platform, which will help us drive recurring revenues.
 5. **ISG Network Select:** This offering helps streamline and simplify how enterprises build their network solutions. It enables ISG to better meet the growing demand for such leading-edge networking solutions as software-defined networking (SD-WAN, SD-LAN), SD security services, 5G mobility, unified communications-as-a-service (UCaaS) and call center-as-a-service (CCaaS) — all critical to enterprise digital transformation. Client demand for networks that are secure, interconnected, interoperable and profitable is rising, as are concerns over security, scale, cost and the complexity of the expanding Internet of Things (“IoT”) landscape. ISG Network Select is designed to help clients find the best solutions, faster, to power their digital transformation initiatives. Clients get access to detailed and current data on their vendor and technology options, insights to help negotiate better pricing, and processes to accelerate next-generation networking solutions.
 6. **Growth Through Hyperscalers:** Our cloud transformation capabilities have reached a level of maturity that allows us to explore new growth opportunities in this space. One such opportunity is serving as a channel partner for cloud hyperscalers, i.e., large public cloud providers such as Amazon Web Services (AWS), Microsoft Azure and Google Cloud Platform. ISG has hired a global executive in 2021 to drive this business, which will provide consulting services to hyperscaler customers. Total worldwide spending on cloud computing is expected to surpass \$1.0 trillion in 2024, while likely to sustain a double-digit compound annual growth rate (CAGR) of nearly 16 percent. Enterprises have migrated approximately 25 percent of their applications to the cloud, with the remaining 75 percent covering large back-office functions that are complex and challenging to move to the cloud, especially in multi-cloud environments. ISG is developing a set of core offerings that will enable hyperscalers to accelerate time to value by shifting enterprise workloads more quickly to the cloud. For hyperscaler customers, ISG will serve as an independent third party that brings transparency to solution design costs, risks and dependencies of cloud deployments. ISG will offer expertise and data to source and orchestrate the cloud transformation design process, to provision the appropriate system integrator (SI) and managed service provider (MSP) ecosystems, and to structure and manage the cloud transformation office to drive innovation and achieve tactical and strategic goals.

7. **Digital Engineering:** ISG has an opportunity to develop and scale a Digital Engineering capability that meets the growing need of enterprises to integrate information technology, operational technology and engineering technology. ISG has hired a global leader to grow this business, building on our experience in Engineering Product Lifecycle Management and Digital Thread. Over the past five years, enterprise business models have been shifting from selling products as a one-time transaction to becoming more software-oriented to drive more features and functionality, shifting focus to aftermarket solutions to generate recurring revenues via services (servitization) and enhancing customer experience to increase customer acquisition and retention rates. As companies are reimagining their products and services, Digital Engineering is growing rapidly due to the increasing data and software content of products and processes. Our aim is to become an independent governance and end-to-end transformation partner including the sourcing of engineering system integrators and engineering platforms like SIEMENS and Dassault throughout each client's digital engineering transformation journey, serving multiple industries with an initial focus on manufacturing.
 8. **Cybersecurity:** In 2022, ISG saw more than a 50% increase in the size of its global cybersecurity business and continues to see significant growth opportunities ahead. The acceleration in attacks across all industry groups has resulted in increased regulatory pressures and expanded attention at the board level, increasing the overall market outlook for cybersecurity services and solutions which is now projected to reach \$262 billion by 2027. Continued adoption of Digital Transformation programs and heavy IT/IoT/OT integration and emerging legislation in the Manufacturing and Energy/Utilities sectors, coupled with similar programs and advancements in the wearables market in Life Sciences, are driving growth for ISG in this space. We will continue to leverage our heritage in strategy and sourcing while tightening the relationship between our Network Advisory, Cybersecurity, Data Analytics and Automation businesses to address emerging tech and the Secure Intelligent Connected Enterprise (SICE), expand into the emerging Cyber Risk Quantification and Human Intelligence markets and grow our consulting capabilities to maintain our position as the best agnostic cybersecurity advisory firm in the market.
 9. **Training-as-a-Service (TaaS):** In partnership with the training software-as-a-service (SaaS) firm Assima, ISG has launched a subscription-based, recurring revenue service that has lowered training development costs at a major client by approximately 75 percent. Building on this success, ISG plans to offer training as an ongoing, outsourced managed service for organizations with limited resources and growing demand for training content. These organizations are typically looking for longer-term training support to address the needs of an evolving workforce. ISG TaaS uses an agile approach with rapid content development tools to accelerate training content throughout. Services include training advisory, analysis, strategy, development, delivery support and learning assessment.
- *Expand "Recurring Revenue Streams."* These include such annuity-based ISG offerings as ISG GovernX, Research, Software-as-a-Subscription, ISG Inform and the multi-year Public Sector contracts. All are characterized by subscriptions (i.e., renewal centric as opposed to project centric revenue streams) or multi-year contracts. As companies begin to recognize the importance of managing the post-sourcing transaction period, managed services have emerged as a revenue driver for the firm, with our offerings delivered through multi-year managed services contracts. We believe that our experience with outsourcing transactions and software implementation initiatives make us uniquely equipped to provide research insights and direct support to help our clients manage their transformational projects or act as a third-party administrator. We will continue to pursue opportunities to leverage our experience to make research and managed services an even greater revenue generator for us. The U.S. public sector, particularly state governments, local municipalities and higher education, presents a significant opportunity to ISG. Systems are typically outdated, maintenance is expensive and the workforce charged with maintenance is aging. There is a need to refurbish systems to reduce the cost of operations (particularly because governments' tax revenues are under pressure). We are well-positioned as a third party, objective advisory group with no affiliation to the software providers. ISG will continue to invest in the digitization of these services, driving increased automation, greater profitability and even more value for our clients.
 - *Consider Acquisition and Other Growth Opportunities.* The business services, information and advisory market is highly fragmented. We believe we are well-positioned to leverage our leading market positions and strong brand recognition to expand through acquisitions and other growth opportunities. Acquiring firms with complementary services and products allows us to further develop and broaden our service offerings and domain expertise. We will consider and may pursue opportunities to enter into joint ventures and to buy or combine with other businesses.

Our Proprietary Data Assets and Market Intelligence

One of our core assets is the information, data, analytics, methodologies and other intellectual property the Company possesses. This intellectual property underpins the independent nature of our operational assessments, strategy development, deal structuring, negotiation and other consulting services we provide to our clients.

With each engagement we conduct, we enhance both the quantity and quality of the intellectual property we employ on behalf of our clients, thus providing a continuous, evolving and unique source of information, data and analytics.

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This intellectual property is proprietary, and we rely on multiple legal and contractual provisions and devices to protect our intellectual property rights. We recognize the value of our intellectual property and vigorously defend it. As a result, the Company maintains strict policies and procedures regarding ownership, use and protection with all parties, including our employees.

Clients

We operate in over 20 countries and across numerous industries. Our private sector clients operate primarily in the manufacturing, banking and financial services, insurance, health sciences, energy and utilities and consumer services industries. Our private sector clients are primarily large businesses ranked in the *Forbes* Global 2000 companies annually. Our public sector clients are primarily state and local governments (cities and counties) and authorities (airport and transit) in the United States and national and provincial government units in the United Kingdom, Italy and Australia.

Competition

Competition in the sourcing, data, information and advisory market is primarily driven by independence and objectivity, expertise, possession of relevant benchmarking data, breadth of service capabilities, reputation and price. We compete with other sourcing advisors, research firms, strategy consultants and sourcing service providers. A significant number of independent sourcing and advisory firms offer similar services. We believe we set ourselves apart with our data repository of recent, comparable transactions and benchmarking data, our depth of experience and our sourcing and technology implementation expertise, all of which are critical to implementing and managing successful transformation projects for business and governments.

Employees

As of December 31, 2022, we employed 1,599 people worldwide.

Our employee base includes executive management, service leads, partners, directors, advisors, analysts, technical specialists and functional support staff.

We recruit advisors from service providers and consulting firms with direct operational experience. These advisors leverage extensive practical expertise derived from experiences in corporate leadership, consulting, research, financial analysis, contract negotiations and operational service delivery.

All employees are required to execute confidentiality, conflict of interest and intellectual property agreements as a condition of employment. There are no collective bargaining agreements covering any of our employees.

Our voluntary advisor turnover rate has ranged between 11% and 15% over the last three years.

Human Capital Management

ISG strives to employ the brightest, most innovative people in the industry, so that we can provide world-class solutions to our clients. Employees at ISG are anchored in our core values, which include trust, integrity, respect, diversity, passion, entrepreneurship, balance and mentorship.

Our approximately 1,600 employees, located in over 20 countries with more than one-fourth in the United States, perform a variety of different roles. We are participants in the competitive research and advisory industries. Attracting, developing and retaining talented people in advisory, research and other positions is critical to executing on our strategy. Our ability to compete effectively depends upon a number of factors, including learning opportunities, compensation/benefits, work environment and career opportunities. To make this happen, we have certain programs, training, policies and practices in place including the following:

Diversity/Inclusion

ISG believes a key to our success is our value of diverse backgrounds, experiences and cultures. Our employees' function within a collaborative community that welcomes varied ideas and styles. These diverse perspectives produce enhanced results for our clients and result in a preferred place to work.

We exhibit our commitment to diversity and inclusion through our hiring practices, opportunities for learning and advancement and the distribution of rewards. Through efforts such as our Inclusion, Diversity, Equity and Awareness (IDEA) team and Women-In-Digital industry group, we are able to help in the identification and advancement of diverse talent. While we have made progress in our workforce diversity representation, we seek to continually improve in this area.

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ISG WorkLife

We have also introduced ISG WorkLife, which is a series of progressive, best practice, next-generation HR offerings designed to improve the quality of our work-life experience, while helping us achieve our firm-wide objectives. ISG believes this will help us attract and retain productive talent. Some of the key offerings here include:

- **ISG Cares**, our enhanced volunteering program, which, among other things, provides employees paid time off to attend to charitable pursuits.
- **ISG Academy**, our global learning and development program.
- **ISG Aspire**, our global mentoring program.
- **ISG iRefer**, which allows the firm to attract talent through employee referrals, which earn referral bonuses.
- **ISG iTime**, which provides flexible paid time off arrangements for employees in certain countries.

We understand that employees have varied interests both in and outside of the workplace. These programs, and others under ISG WorkLife, provide employees with the opportunity to pursue these activities. This allows us to attract and retain productive employees and enhance diverse perspectives.

Environmental Social and Governance (ESG, formerly referred to as CSR)

The ISG Environmental Social and Governance program was developed with corporate commitment and accountability on a global level. The program has oversight and executive support to drive real, positive change in alignment with our value and policies, ultimately enabling us to maximize impact and value.

Our ISG Go Green program speaks to the Environmental pillar of ESG. This program seeks to reduce our carbon footprint via awareness and education initiatives that share green practices for ISG employees in both virtual and physical offices. Additionally, ISG is developing measurable carbon reduction best practices that align with our goals for sustainable business operations. Since 2021, we have offset the carbon generated by ISG employee travel and continue to seek ways to pivot to green energy for our physical locations. Our environmental work is centered around three core concepts: compliance with eco-friendly laws and best practices, prevention of waste, pollution and carbon emissions and continuous, measurable improvement.

The IDEA (Inclusion, Diversity, Equity and Awareness) program is the foundation for our Social pillar. Beyond our core Diversity, Equity and Inclusion (DEI) activities, ISG has sub-groups that devote focus to uplifting women in digital, maintaining equitable recruitment, building our supplier diversity and volunteering through our global ISG Cares team. At ISG, we do not just accept difference — we celebrate it, and we thrive on it for the benefit of our employees, our clients and our communities. We commit to building a team that represents a variety of backgrounds, perspectives and skills. ISG is proud to be an equal opportunity workplace, and we are committed to creating an inclusive environment for all employees. Our work in the social pillar is based on ISG values of trust, integrity, respect and diversity, made tangible in our business practices, modern slavery statement and fair labor policies.

For the Governance pillar, ISG has a well-established set of policies, governing bodies and independent validation measures. ISG is governed on a day-to-day basis by our internal international executive board, which meets weekly. ISG also receives governance and support from an external board of directors. We maintain procedures, policies and codes of conduct around ethical business practices, whistleblowing, suppliers, data protection, information security, privacy, confidentiality, employee comportment and travel. With regard to cybersecurity, we regularly provide training, reporting and scans in compliance with our ISO-27001 certifications and best practices. Every year, our employees attest to reviewing our global policies via digital signature.

Learning

ISG's success depends on the knowledge and productivity of its employees. To that end, the firm invests a significant amount of time and money into providing development opportunities. Our ISG Academy is robust in offering learning in such topics specific to the employee's industry and functional areas, leadership and people management, certifications and software and technical skills, among others. In 2022, most learning was virtual; there were over 700 digital certified professionals that participated in various sessions, devoting a total of more than 30,000 hours to learning and development.

Available Information

Our Internet address is www.isg-one.com. The content on our website is available for information purposes only. It should not be relied upon for investment purposes, nor is it incorporated by reference into this Form 10-K or any other filings. We make available through our Internet website under the link titled "Investors" our annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, including any amendments or exhibits thereto, after we electronically file any such materials with the Securities and Exchange

Commission (the “SEC”). Copies of our key corporate governance documents, including our Code of Ethics and Business Conduct for Directors, Officers and Employees, Corporate Governance Guidelines and charters for our Audit Committee, our Nominating and Corporate Governance Committee and our Compensation Committee are also on our website. Stockholders may request free copies of these documents including our Annual Report to Stockholders by writing to Information Services Group, Inc., 2187 Atlantic Street, Stamford, CT 06902, Attention: Humberto P. Alfonso, or by calling (203) 517-3100.

Our annual and quarterly reports and other information statements are also available to the public through the SEC’s website at www.sec.gov. In addition, the Notice of Annual Meeting of Stockholders, Proxy Statement and 2022 Annual Report to Stockholders are available free of charge at www.proxyvote.com.

Item 1A. Risk Factors

We operate in a highly competitive and rapidly changing environment that involves numerous risks and uncertainties, some of which are beyond our control. In addition, we and our clients are affected by global economic conditions and trends. The following sections address significant factors, events and uncertainties that make an investment in our securities risky. We urge you to consider carefully the factors described below and the risks that they present for our operations, as well as the risks addressed in other reports and materials that we file with the SEC and the other information included or incorporated by reference in this Form 10-K. When the factors, events and contingencies described below or elsewhere in this Form 10-K materialize there could be a material adverse impact on our business, prospects, results of operations, financial condition and cash flows, and could therefore have a potential negative effect on the trading price of our common stock. Additional risks not currently known to us or that we now deem immaterial may also harm us and negatively affect your investment. In addition to the effects of the global economic and geopolitical climate on our business and operations discussed in Item 7 of this Form 10-K and in the risk factors below, additional or unforeseen effects from the global economic and geopolitical climate may give rise to or amplify many of these risks discussed below. Risks in this section are grouped in the following categories: (1) risks related to outstanding debt; (2) risks related to acquisitions; (3) strategy and operation risks; (4) risks related to management and employees; (5) macroeconomic risks; (6) risks related to data, cybersecurity and confidential information; and (7) general risks. Many risks affect more than one category, and the risks are not in order of significance or probability of occurrence because they have been grouped by categories.

Risks Related to Outstanding Debt

We have a substantial amount of debt outstanding, which may limit our ability to fund general corporate requirements and obtain additional financing, limit our flexibility in responding to business opportunities and competitive developments and increase our vulnerability to adverse economic and industry conditions and changes in our debt rating.

On March 10, 2020, the Company amended and restated its senior secured credit facility (the “2020 Credit Agreement”) to include an \$86.0 million term facility and to increase the revolving commitments per the revolving facility from \$30.0 million to \$54.0 million. As a result of the substantial fixed costs associated with the debt obligations, we expect that:

- a decrease in revenues will result in a disproportionately greater percentage decrease in earnings;
- we may not have sufficient liquidity to fund all of these fixed costs if our revenues decline or costs increase;
- we may have to use our working capital to fund these fixed costs instead of funding general corporate requirements, including capital expenditures;
- we may not have sufficient liquidity to respond to business opportunities, competitive developments and adverse economic conditions; and
- our results of operations will be adversely affected if interest rates increase because, based on our current outstanding borrowings in the amount of \$79.2 million as of December 31, 2022, a 1% increase in interest rates would result in a pre-tax impact on earnings of approximately \$0.8 million per year.

These debt obligations may also impair our ability to obtain additional financing, if needed, and our flexibility in the conduct of our business. Our indebtedness under the senior secured revolving credit facility is secured by substantially all of our assets, leaving us with limited collateral for additional financing. Moreover, the terms of our indebtedness under the senior secured revolving credit facility restrict our ability to take certain actions, including the incurrence of additional indebtedness, mergers and acquisitions, investments and asset sales. Our ability to pay the fixed costs associated with our debt obligations will depend on our operating performance and cash flow, which in turn depend on general economic conditions and the advisory services market. A failure to pay interest or indebtedness when due could result in a variety of adverse consequences, including the acceleration of our indebtedness. In such a situation, it is unlikely that we would be able to fulfill our obligations under, repay the accelerated indebtedness or otherwise cover our fixed costs. As of December 31, 2022, the total principal outstanding under the term loan facility and revolving credit facility was \$70.2 million and \$9.0 million, respectively.

On February 22, 2023, the Company entered into a third amended and restated senior secured credit facility comprising a \$140.0 million revolving credit facility, amending and restating the 2020 Credit Agreement.

Our failure to comply with the covenants in our credit agreement could materially and adversely affect our financial condition and liquidity.

Our credit agreement contains financial covenants requiring that we maintain, among other things, certain levels of debt coverage and fixed charges. Poor financial performance could cause us to be in default of these covenants. While we were in compliance with these covenants as of December 31, 2022, there can be no assurance that we will remain in compliance in the future. If we fail to comply with the covenants in our credit agreement, we may have to seek an amendment or waiver from our lenders to avoid the termination of their commitments and/or the acceleration of the maturity of outstanding amounts under the credit facility. The cost of our obtaining an amendment or waiver could be significant, and further, there can be no assurance that we would be able to obtain an amendment or waiver. If our lenders were unwilling to enter into an amendment or provide a waiver, all amounts outstanding under our credit facility would become immediately due and payable.

Risks Related to Acquisitions

We have risks associated with acquisitions or investments.

Since our inception, we have expanded through acquisitions. In the future, we plan to pursue additional acquisitions and investments as opportunities arise. We may not be able to successfully integrate businesses that we acquire in the future without substantial expense, delays or other operational or financial problems. We may not be able to identify, acquire or profitably manage additional businesses. If we pursue acquisition or investment opportunities, these potential risks could disrupt our ongoing business, result in the loss of key customers or personnel, increase expenses and otherwise have a material adverse effect on our business, results of operations and financial condition.

Difficulties in integrating businesses we have acquired, or may acquire in the future, may demand time and attention from our senior management.

Integrating businesses we have acquired, or may acquire in the future, may involve unanticipated delays, costs and/or other operational and financial problems. In integrating acquired businesses, we may not achieve expected economies of scale or profitability or realize sufficient revenue to justify our investment. If we encounter unexpected problems as we try to integrate an acquired firm into our business, our management may be required to expend time and attention to address the problems, which would divert their time and attention from other aspects of our business.

Strategic and Operation Risks

Our operating results have been, and may in the future be, adversely affected by worldwide economic conditions and credit tightening.

Our results of operations are affected by the level of business activity of our clients, which in turn is affected by the level of economic activity in the industries and markets that they serve. A decline in the level of business activity of our clients, such as the impact of a pandemic, inflation, slowing growth, rising interest rates and recession, could have a material adverse effect on our revenue and profit margin. Future economic conditions could cause some clients to reduce or defer their expenditures for consulting services. We have implemented and will continue to implement cost-savings initiatives to manage our expenses as a percentage of revenue. However, current and future cost-management initiatives may not be sufficient to maintain our margins if the economic environment should weaken for a prolonged period.

The rate of growth in the broadly defined business information services and advisory sector and/or the use of technology in business may fall significantly below the levels that we currently anticipate.

Our business is dependent upon continued growth in sourcing activity, the use of technology in business by our clients and prospective clients and the continued trend towards sourcing of complex information technology and business process tasks by large and small organizations. If sourcing diminishes as a management and operational tool, the growth in the use of technology slows down or the cost of sourcing alternatives rises, our business could suffer. Companies that have already invested substantial resources in developing in-house information technology and business process functions may be particularly reluctant or slow to move to a sourcing solution that may make some of their existing personnel and infrastructure obsolete.

Our engagements may be terminated, delayed or reduced in scope by clients at any time.

Our clients may decide at any time to abandon, postpone and/or reduce our involvement in an engagement. Our engagements can be terminated, or the scope of our responsibilities may be diminished, with limited advance notice. If an engagement is terminated, delayed

or reduced unexpectedly, the professionals working on the engagement could be underutilized until we assign them to other projects. Accordingly, the termination or significant reduction in the scope of a single large engagement, or multiple smaller engagements, could harm our business results.

Our operating results may fluctuate significantly from period to period as a result of factors outside of our control.

Our revenues and operating results may vary significantly from accounting period to accounting period due to factors including:

- fluctuations in revenues earned on contracts;
- commencement, completion or termination of engagements during any particular period;
- additions and departures of key advisors;
- transitioning of advisors from completed projects to new engagements;
- seasonal trends;
- introduction of new services by us or our competitors;
- changes in fees, pricing policies or compensation arrangements by us or our competitors;
- strategic decisions by us, our clients or our competitors, such as acquisitions, divestitures, spin-offs, joint ventures, strategic investments or changes in business strategy;
- global economic and political conditions and related risks, including acts of terrorism, war, such as the war in Ukraine, pandemics, such as COVID-19, inflation, slowing growth, rising interest rates and recession; and
- conditions in the travel industry that could prevent our advisors from traveling to client sites.

We depend on project-based advisory engagements, and our failure to secure new engagements could lead to a decrease in our revenues.

Advisory engagements typically are project-based. Our ability to attract advisory engagements is subject to numerous factors, including the following:

- delivering consistent, high-quality advisory services to our clients;
- tailoring our advisory services to the changing needs of our clients;
- matching the skills and competencies of our advisory staff to the skills required for the fulfillment of existing or potential advisory engagements; and
- maintaining a global business operation.

Any material decline in our ability to secure new advisory arrangements could have an adverse impact on our revenues and financial condition.

If we are unable to achieve or maintain adequate utilization for our consultants, our operating results could be adversely impacted.

Our profitability depends to a large extent on the utilization of our consultants. Utilization of our consultants is affected by a number of factors, including:

- additional hiring of consultants because there is generally a transition period for new consultants;
- the number and size of client engagements;
- the unpredictability of the completion and termination of engagements;
- our ability to transition our consultants efficiently from completed engagements to new engagements;
- unanticipated changes in the scope of client engagements or unexpected terminations of client engagements; and
- our ability to maintain an appropriate level of consultants by forecasting the demand for our services.

We could lose money on our fixed-fee or capped-fee contracts.

As part of our strategy, from time to time, we enter into fixed-fee contracts, in addition to contracts based on payment for time and materials with capped fees. Because of the complexity of many of our client engagements, accurately estimating the cost, scope and duration of a particular engagement can be a difficult task. If we fail to make accurate estimates, we could be forced to devote additional resources to these engagements for which we will not receive additional compensation. While losses on our fixed-fee contracts are rare, to the extent that an expenditure of additional resources is required on an engagement, this could reduce the profitability of, or result in a loss on, the engagement.

Our contracts with contingent-based revenue may cause unusual variations in our operating results.

As part of our strategy, from time to time, we earn incremental revenues, in addition to hourly or fixed-fee billings, which are contingent on the attainment of certain contractual milestones or objectives. Because it is uncertain when the milestones or objectives will be achieved, if ever, any such incremental revenues may cause unusual variations in quarterly revenues and operating results. Also, whether any contractual milestones or objectives are achieved may become subject to dispute.

We may not be able to maintain our existing services and products.

We operate in a rapidly evolving market, and our success depends upon our ability to deliver high-quality advice and analysis to our clients. Any failure to continue to provide credible and reliable information and advice that is useful to our clients could have a significant adverse effect on future business and operating results. Further, if our advice proves to be materially incorrect and the quality of service is diminished, our reputation may suffer and demand for our services and products may decline. In addition, we must continue to improve our methods for delivering our products and services in a cost-effective manner.

Expanding our service offerings may not be profitable.

We may choose from time to time to develop new service offerings because of market opportunities or client demands. Developing new service offerings involves inherent risks, including:

- a lack of market understanding;
- competition from more established market participants;
- our inability to estimate demand for the new service offerings; and
- unanticipated expenses to hire qualified consultants and to market our new service offerings.

If we cannot manage the risks associated with new service offerings effectively, we are unlikely to be successful in these efforts, which could harm our ability to sustain profitability.

We may not have the ability to develop and offer the new services and products that we need to remain competitive.

Our future success will depend in part on our ability to offer new services and products. To maintain our competitive position, we must continue to enhance and improve our services and products, develop or acquire new services and products in a timely manner and appropriately position and price new services and products relative to the marketplace and our costs of producing them. These new services and products must successfully gain market acceptance by addressing specific industry and business sectors and by anticipating and identifying changes in client requirements. The process of researching, developing, launching and gaining client acceptance of a new service or product, or assimilating and marketing an acquired service or product, is risky and costly. We may not be able to introduce new, or assimilate acquired, services and products successfully. Any failure to achieve successful client acceptance of new services and products could have an adverse effect on our business results.

We may fail to anticipate and respond to market trends.

Our success depends in part upon our ability to anticipate rapidly changing technologies and market trends and to adapt our advice, services and products to meet the changing sourcing advisory needs of our clients. Our clients regularly undergo frequent and often dramatic changes. That environment of rapid and continuous change presents significant challenges to our ability to provide our clients with current and timely analysis, strategies and advice on issues of importance to them. Meeting these challenges requires the commitment of substantial resources. Any failure to continue to respond to developments, technologies and trends in a manner that meets market needs could have an adverse effect on our business results.

We may be unable to protect important intellectual property rights.

We rely on copyright and trademark laws, as well as nondisclosure and confidentiality arrangements, to protect our proprietary rights in our methods of performing our services, our data and our tools for analyzing financial and other information. There can be no assurance that the steps we have taken to protect our intellectual property rights will be adequate to deter misappropriation of our rights or that we will be able to detect unauthorized use and take timely and effective steps to enforce our rights. If substantial and material unauthorized uses of our proprietary methodologies, data and analytical tools were to occur, we may be required to engage in costly and time-consuming litigation to enforce our rights. There can be no assurance that we would prevail in such litigation. If others were able to use our intellectual property or were to independently develop our methodologies or analytical tools, our ability to compete effectively and to charge appropriate fees for our services may be adversely affected.

We face competition and our failure to compete successfully could materially adversely affect our results of operations and financial condition.

The business information services and advisory sector is highly competitive, fragmented and subject to rapid change. We face competition from many other providers ranging from large organizations to small firms and independent contractors that provide specialized services. Our competitors include any firm that provides sourcing or benchmarking advisory services, IT strategy or business process consulting, which may include a variety of consulting firms, service providers, niche advisors and, potentially, advisors currently or formerly employed by us. Some of our competitors have significantly more financial and marketing resources, larger professional staffs, closer client relationships, broader geographic presence or more widespread recognition than us.

In addition, limited barriers to entry exist in the markets in which we do business. As a result, additional new competitors may emerge, and existing competitors may start to provide additional or complementary services. There can be no assurance that we will be able to successfully compete against current and future competitors and our failure to do so could result in loss of market share, diminished value in our products and services, reduced pricing and increased marketing expenditures. Furthermore, we may not be successful if we cannot compete effectively on quality of advice and analysis, timely delivery of information, client service or the ability to offer services and products to meet changing market needs for information, analysis or price.

We derive a significant portion of our revenues from our largest clients and could be materially and adversely affected if we lose one or more of our large clients.

Our 25 largest clients accounted for approximately 35% and 37% of revenue in 2022 and 2021, respectively. If one or more of our large clients terminate or significantly reduce their engagements or fail to remain a viable business, then our revenues could be materially and adversely affected. In addition, sizable receivable balances could be jeopardized if large clients fail to remain a going concern.

Risks Related to Management and Employees

The loss of key executives could adversely affect our business.

The success of our business is dependent upon the continued service of a relatively small group of key executives, including Mr. Connors, Chairman and Chief Executive Officer; Mr. Lavieri, Vice Chairman and President – ISG Americas and Asia Pacific; Mr. Alfonso, Executive Vice President, Chief Financial Officer; and Mr. Kucinski, Executive Vice President and Chief Human Resources Officer, among others.

Although we currently intend to retain our existing management, we cannot assure that such individuals will remain with us for the immediate or foreseeable future. The unexpected loss of the services of one or more of these executives could adversely affect our business.

We rely heavily on key members of our management team.

We are dependent on our management team. We grant restricted stock units (“RSUs”) from time to time to key employees and, in connection with such grants, require recipients to execute a restrictive covenant agreement. Vested and unvested RSUs will be forfeited upon any violation of the restrictive covenant agreement. We may not be able to retain these managers and may not be able to enforce the restrictive covenants. If we were to lose a number of key members of our management team and were unable to replace these people quickly, we could have difficulty maintaining our growth and certain key relationships with large clients and face competition from these former managers if the restrictive covenants are unenforceable.

We depend upon our ability to attract, retain and train skilled advisors and other professionals.

Our business involves the delivery of advisory and consulting services. Therefore, our continued success depends in large part upon our ability to attract, develop, motivate, retain and train skilled advisors and other professionals who have advanced information technology and business processing domain expertise, financial analysis skills, project management experience and other similar abilities. These advisors could resign and join one of our competitors or provide sourcing advisory services to our clients through their own ventures.

We must also recruit staff globally to support our services and products. We face competition for the limited pool of these qualified professionals from, among others, technology companies, market research firms, consulting firms, financial services companies and electronic and print media companies, some of which have a greater ability to attract and compensate these professionals. Moreover, increasing wage inflation may affect our profit margin as we strive to provide compensation packages that are competitive. We face risks related to global labor shortages, and competitive markets have increased attrition throughout our sector. Some of the personnel that we attempt to hire may be subject to non-compete agreements that could impede our short-term recruitment efforts. Any failure to retain key personnel or hire and train additional qualified personnel as required supporting the evolving needs of clients or growth in our business could adversely affect the quality of our products and services, and our future business and operating results.

We may have agreements with certain clients that limit the ability of particular advisors to work on some engagements for a period of time.

We provide services primarily in connection with significant or complex sourcing transactions and other matters that provide potential competitive advantage and/or involve sensitive client information. Our engagement by a client occasionally precludes us from staffing certain advisors on new engagements with other clients because the advisors have received confidential information from a client who is a competitor of the new client. Furthermore, it is possible that our engagement by a client could preclude us from accepting engagements with such client's competitors because of confidentiality concerns.

Macroeconomic Risks

Our international operations expose us to a variety of risks that could negatively impact our future revenue and growth.

Approximately 42% of our revenues for both 2022 and 2021, respectively, were derived from sales outside of the Americas. Our operating results are subject to the risks inherent in international business activities, including:

- tariffs and trade barriers;
- regulations related to customs and import/export matters;
- restrictions on entry visas required for our advisors to travel and provide services;
- tax issues, such as tax law changes and variations in tax laws as compared to the United States;
- cultural and language differences;
- an inadequate banking system;
- foreign exchange controls;
- restrictions on the repatriation of profits or payment of dividends;
- crime, strikes, riots, civil disturbances, pandemics, such as COVID-19, terrorist attacks and wars, such as the war in Ukraine;
- nationalization or expropriation of property;
- law enforcement authorities and courts that are inexperienced in commercial matters; and
- deterioration of political relations with the United States.

Air travel, telecommunications and entry through international borders are all vital components of our business. If a pandemic, such as COVID-19, or terrorist attack were to occur, our business could be disproportionately impacted because of the disruption, including potential cancellation of ISG events.

Further, conducting business abroad subjects us to increased regulatory compliance and oversight. For example, in connection with our international operations, we are subject to laws prohibiting certain payments to governmental officials, such as the Foreign Corrupt Practices Act. A failure to comply with applicable regulations could result in regulatory enforcement actions as well as substantial civil and criminal penalties assessed against us and our employees.

We intend to continue to expand our global footprint in order to meet our clients' needs. This may involve expanding into countries beyond those in which we currently operate. We may involve expanding into less-developed countries, which may have less political, social or economic stability and less-developed infrastructure and legal systems. As we expand our business into new countries, regulatory, personnel, technological and other difficulties may increase our expenses or delay our ability to start up operations or become profitable in such countries. This may affect our relationships with our clients and could have an adverse effect on our business.

We operate in a number of international areas which exposes us to significant foreign currency exchange rate risk.

We have significant international revenue, which is predominantly collected in local currency. It is expected that our international revenues will continue to grow as European and Asian Pacific markets adopt sourcing solutions. The translation of our revenues into U.S. dollars, as well as our costs of operating internationally, may adversely affect our business, results of operations and financial condition.

Risks Related to Data, Cybersecurity and Confidential Information

Data protection laws and self-regulatory codes may restrict our activities and increase our costs.

Various statutes and rules regulate conduct in areas such as privacy and data protection that may affect our collection, use, storage and transfer of information both abroad and in the United States. Compliance with these laws and self-regulatory codes may require us to make certain investments or may dictate that we not offer certain types of services or only offer such services after making necessary modifications. Failure to comply with these laws and self-regulatory codes may result in, among other things, civil and criminal liability, negative publicity, restrictions on further use of data and/or liability under contractual warranties.

In addition, there is an increasing public concern regarding data and consumer protection issues, with the result that the number of jurisdictions with data protection laws continues to increase and the scope of existing privacy laws and the data considered to be covered by such laws are expanding. Changes in these laws (including newly released interpretations of these laws by courts and regulatory bodies) may limit our data access, use and disclosure, and may require increased expenditures by us or may dictate that we may not offer certain types of services.

The EU's General Data Protection Regulation ("GDPR") has extra-territorial scope and substantial fines for breaches (up to 4% of global annual revenue or €20 million, whichever is greater). Additionally, compliance with the GDPR is resulting in operational costs to implement new procedures corresponding to new legal rights granted under the law but has had little direct impact on ISG. ISG is continuing to monitor the development of the EU's ePrivacy Regulation proposal and industry response and will determine whether to take further action, as needed, following its final adoption.

To mitigate the risk and negative exposure of data outside ISG, we have put in place a data protection framework which includes policies, procedures, guidance and records. This includes policies and procedures for rights and usage of personal and client data. ISG employs a Data Privacy Manager who works closely with a governing board made up of the Chief Financial Officer, Chief Human Resource Officer, Chief Information Officer, Chief Data and Analytics Officer, Chief Information Security Officer, Legal Counsel and Director of Corporate Compliance. The Data Privacy Manager completes an internal audit annually and works with a specialist third party to complete one external Data Protection Compliance review annually.

Data Protection and Privacy training is included in the mandatory Information Security and Privacy training module for all new joiners. Training is updated and republished for completion by all employees and contractors on an annual basis.

We are exposed to risks related to cybersecurity.

A significant portion of our business is conducted over the internet, and we rely on the secure processing, storage and transmission of confidential, sensitive, proprietary and other types of information relating to our business operations and confidential and sensitive information about our clients and employees in our computer systems and networks, and in those of our third-party vendors. Individuals, groups and state-sponsored organizations may take steps that pose threats to our operations, our computer systems, our employees and our clients. The cybersecurity risks we face range from cyberattacks common to most industries, such as the development and deployment of malicious software to gain access to our networks and attempt to steal confidential information, launch distributed denial of service attacks, or attempt other coordinated disruptions, to more advanced threats that target us because of our prominence in the global research and advisory field. Ransomware risk has increased significantly in recent years and presents a significant risk of financial extortion and loss of data. With the ISG NEXT operating model employees continue to work remotely or on a hybrid basis, which magnifies the importance of the integrity of our remote access security measures.

We also face risk from our third-party suppliers if they are affected by cyber security incident, which could result in their loss of service (which could be a significant component of our services to clients), exposure of ISG or client data or a potential backdoor into ISG systems and network.

We may be subject to claims for substantial damages by our clients arising out of disruptions to their businesses or inadequate service and our insurance coverage may be inadequate.

Most of our service contracts with clients contain service level and performance requirements, including requirements relating to the quality of our services. Failure to consistently meet service requirements of a client or errors made by our employees in the course of

delivering services to our clients could disrupt the client's business and result in a reduction in revenues or a claim for damages against us. Additionally, we could incur liability if a process we manage for a client were to result in internal control failures or impair our client's ability to comply with our own internal control requirements.

Under our service agreements with our clients, our liability for breach of our obligations is generally limited to actual damages suffered by the client and is typically capped at the greater of an agreed amount or the fees paid or payable to us under the relevant agreement. These limitations and caps on liability may be unenforceable or otherwise may not protect us from liability for damages. In addition, certain liabilities, such as claims of third parties for which we may be required to indemnify our clients or liability for breaches of confidentiality, are generally not limited under those agreements. Although we have general commercial liability insurance coverage, the coverage may not continue to be available on acceptable terms or in sufficient amounts to cover one or more large claims. The successful assertion of one or more large claims against us that exceed available insurance coverage or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements) could have a material adverse effect on our business.

We could be liable to our clients for damages and subject to liability and our reputation could be damaged if our confidential information or client data is compromised.

We may be liable to our clients for damages caused by disclosure of confidential information. We are often required to collect and store sensitive or confidential client data in order to perform the services we provide under our contracts. Many of our contracts do not limit our potential liability for breaches of confidentiality. If any person, including any of our current or former employees, penetrates our network security or misappropriates sensitive data or if we do not adapt to changes in data protection legislation, we could be subject to significant liabilities to our clients or to our clients' customers for breaching contractual confidentiality provisions or privacy laws. Also, we could face cyber-based attacks and attempts by hackers and similar unauthorized users to gain access to or corrupt our information technology systems in order to gain access to confidential information and client data. Such attacks could disrupt our business operations, cause us to incur unanticipated losses or expenses, and result in unauthorized disclosures of confidential or proprietary information. Although we seek to prevent, detect and investigate these network security incidents, and have taken steps to mitigate the likelihood of network security breaches, there can be no assurance that attacks by unauthorized users will not be attempted in the future or that our security measures will be effective. Unauthorized disclosure of sensitive or confidential client data, whether through breach of our processes, systems or otherwise, could also damage our reputation and cause us to lose existing and potential clients. We may also be subject to civil actions and criminal prosecution by government or government agencies for breaches relating to such data. Our insurance coverage for breaches or mismanagement of such data may not continue to be available on reasonable terms or in sufficient amounts to cover one or more large claims against us.

We could have liability, or our reputation could be damaged, if we fail to protect client and/or our data from security breaches or cyberattacks.

We are dependent on information technology networks and systems to securely process, transmit and store electronic information and to communicate among our locations around the world and with our people, clients, alliance partners and vendors. As the breadth and complexity of this infrastructure continues to grow, including as a result of the use of mobile technologies, social media and cloud-based services, the risk of security breaches and cyberattacks increases. Such breaches could lead to shutdowns or disruptions of or damage to our systems and those of our clients, alliance partners and vendors and unauthorized disclosure of sensitive or confidential information, including personal data.

Client restrictions on the use of client data could adversely affect our activities.

The majority of the data we use to populate our databases comes from our client engagements. The insight sought by clients from us relates to the contractual data and terms, including pricing and costs, to which we have access in the course of assisting our clients in the negotiation of our sourcing agreements. Data is obtained through the course of our engagements with clients who agree to contractual provisions permitting us to consolidate and utilize on an aggregate basis such information. If we were unable to utilize key data from previous client engagements, our business, financial condition and results of operations could be adversely affected.

General Risks

Failure to maintain effective internal control over financial reporting could adversely affect our business and the market price of our common stock.

Pursuant to rules adopted by the SEC implementing Section 404 of the Sarbanes Oxley Act of 2002, we are required to assess the effectiveness of our internal control over financial reporting and provide a management report on our internal control over financial reporting in all annual reports. This report contains, among other matters, a statement as to whether or not our internal control over financial reporting is effective and the disclosure of any material weaknesses in our internal control over financial reporting identified by management.

The Committee of Sponsoring Organizations of the Treadway Commission (COSO) provides a framework for companies to assess and improve their internal control systems. Auditing Standard No. 5 provides the professional standards and related performance guidance for auditors to attest to, and report on, management's assessment of the effectiveness of internal control over financial reporting under

Section 404. Management's assessment of internal control over financial reporting requires management to make subjective judgments and, some of the judgments will be in areas that may be open to interpretation. Therefore, our management's report on our internal control over financial reporting may be difficult to prepare, and our auditors may not agree with our management's assessment.

While we currently believe our internal control over financial reporting is effective, we are required to comply with Section 404 on an annual basis. If, in the future, we identify one or more material weaknesses in our internal control over financial reporting during this continuous evaluation process, our management will be unable to assert such internal control is effective. Therefore, if we are unable to assert that our internal control over financial reporting is effective in the future, or if our auditors are unable to express an opinion on the effectiveness of our internal control, our investors could lose confidence in the accuracy and completeness of our financial reports, which could have an adverse effect on our business and the market price of our common stock.

Our actual operating results may differ significantly from our guidance.

From time to time, we release guidance regarding our future performance that represents our management's estimates as of the date of release. This guidance, which consists of forward-looking statements, is prepared by our management and is qualified by, and subject to, the assumptions and the other information contained or referred to in the release. Our guidance is not prepared with a view toward compliance with published guidelines of the Public Company Accounting Oversight Board (United States) (the "PCAOB"), and neither our independent registered public accounting firm nor any other independent expert or outside party compiles or examines the guidance and, accordingly, no such person expresses any opinion or any other form of assurance with respect thereto. Guidance is based upon a number of assumptions and estimates that, while presented with numerical specificity, is inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control and are based upon specific assumptions with respect to future business decisions, some of which will change. The principal reason that we release this data is to provide a basis for our management to discuss our business outlook with analysts and investors. We do not accept any responsibility for any projections or reports published by any such persons. Guidance is necessarily speculative in nature, and it can be expected that some or all of the assumptions of the guidance furnished by us will not materialize or will vary significantly from actual results. Accordingly, our guidance is only an estimate of what management believes is realizable as of the date of release. Actual results will vary from the guidance and the variations may be material. Investors should also recognize that the reliability of any forecasted financial data diminishes the farther in the future that the data is forecast. In light of the foregoing, investors are urged to put the guidance in context and not to place undue reliance on it. Any failure to successfully implement our operating strategy or the occurrence of any of the events or circumstances set forth in this Annual Report on Form 10-K could result in the actual operating results being different than the guidance, and such differences may be adverse and material.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

We maintain our executive offices in Stamford, Connecticut. The lease on our executive offices covers approximately eighteen thousand square feet and expires on September 30, 2025. The majority of our business activities are performed on client sites or remotely. We do not own offices or properties. We have leased offices in the United States, Canada, Denmark, Switzerland, the Netherlands, Finland, Australia, France, Germany, India, Italy, Sweden and the United Kingdom.

Item 3. Legal Proceedings

From time to time, in the normal course of business, we are a party to various legal proceedings. We are not aware of any asserted or unasserted legal proceedings or claims that we believe would have a material adverse effect on our financial condition, results of operations or cash flows.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

The following table sets forth the high and low closing sales price of our common stock, as reported on The Nasdaq Stock Market LLC under the symbol “III” for the periods shown:

Quarter Ending	Common Stock	
	High	Low
March 31, 2022	\$ 7.78	\$ 6.20
June 30, 2022	6.96	5.52
September 30, 2022	7.66	4.72
December 31, 2022	5.75	4.26

Quarter Ending	Common Stock	
	High	Low
March 31, 2021	\$ 4.51	\$ 3.28
June 30, 2021	6.06	4.30
September 30, 2021	8.20	5.57
December 31, 2021	9.56	7.14

On March 2, 2023, the last reported sale price for our common stock on The Nasdaq Stock Market was \$5.33 per share.

As of December 31, 2022, there were 637 holders of record of ISG common stock. The actual number of stockholders is significantly greater than this number of record holders and includes stockholders who are beneficial owners, but whose shares are held in street name by brokers and other nominees. This number of holders of record also does not include stockholders whose shares may be held in trust by other entities.

Dividends to Shareholders

In May 2022, the ISG Board of Directors approved quarterly dividends of \$0.04 per share of ISG common stock. The Company expects to pay a total cash dividend of \$0.16 per share for the four quarters ending March 2023. These dividends are funded through cash flow from operations, available cash on hand and/or borrowings under our revolving credit facility. We anticipate to continue paying regular quarterly dividends on our common stock for the foreseeable future, the declaration, timing and amounts of any such dividends remain subject to the discretion of our Board of Directors. During the fiscal quarter and fiscal year ended December 31, 2022, we paid dividends and dividend equivalents of \$2.0 million and \$7.5 million, respectively.

Issuer Purchases of Equity Securities

The Company had approximately \$7.2 million in aggregate available under its share repurchase program as of December 31, 2022. The shares may be repurchased from time to time in open market transactions at prevailing market prices, in privately negotiated transactions, pursuant to a Rule 10b5-1 repurchase plan or by other means in accordance with federal securities laws. The timing and the amount of any repurchases will be determined by the Company’s management based on its evaluation of market conditions, capital allocation alternatives and other factors. There is no guarantee as to the number of shares that will be repurchased, and the repurchase program may be extended, suspended or discontinued at any time without notice at the Company’s discretion.

The following table details the repurchases that were made during the three months ended December 31, 2022.

Period	Total Number of Shares Purchased (In thousands)	Average Price Paid per Share	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs (In thousands)	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plan or Programs (In thousands)(1)
Oct 1 - Oct 31	4	\$ 4.76	4	\$ 7,246
Nov 1 - Nov 30	9	5.48	9	7,199
Dec 1 - Dec 31	9	5.39	9	7,152

(1) On August 5, 2021, ISG Board of Directors approved a stock repurchase plan authorizing the Company to repurchase an aggregate of \$25 million in shares of the Common Stock.

Securities Authorized for Issuance under Equity Compensation Plan

The following table lists information regarding outstanding options and shares reserved for future issuance under our Amended and Restated 2007 Equity and Incentive Award Plan (the “Incentive Plan”) and our Amended and Restated Employee Stock Purchase Plan (the “ESPP”) as of December 31, 2022. We have not issued any shares of our common stock to employees as compensation under a plan that has not been approved by our stockholders.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights(1)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights(2)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Shares Reflected in Column (2)(3))
Approved by Stockholders	3,820,728	\$ —	3,932,497
Not Approved by Stockholders	—	—	—
Total	3,820,728	\$ —	3,932,497

- (1) Of the 3,820,728 shares listed in this column, none are stock options issued under the Incentive Plan, 3,820,728 are restricted stock units issued under the Incentive Plan, and none are options issued during the current offering period under the ESPP.
- (2) The weighted-average exercise price includes outstanding options and RSUs, treating RSUs as stock awards with an exercise price of zero.
- (3) Includes 847,124 shares available for future issuance under the ESPP. Also includes 3,085,373 shares that were available for grant under the Incentive Plan as options and SARs and also for restricted stock, RSUs or other awards that could provide to the grantee an opportunity to earn the full value of an underlying share (in other words, such earning opportunity is not limited to the appreciation in value of our stock following the grant of the award).

Item 6. [Reserved]

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The purpose of this Management’s Discussion and Analysis (“MD&A”) is to facilitate an understanding of significant factors influencing the operating results, financial condition and cash flows of the Company. Additionally, the MD&A conveys our expectations of the potential impact of known trends, events or uncertainties that may impact future results. You should read this discussion in conjunction with our consolidated financial statements and related notes included in this Annual Report on Form 10-K. Historical results and percentage relationships are not necessarily indicative of operating results for future periods. References to “we,” “our” and “us” in this MD&A are to the Company and its consolidated subsidiaries.

This MD&A provides an analysis of our consolidated financial results and cash flows for 2022 and 2021 under the headings “Results of Operations,” “Non-GAAP Financial Presentation and Measures,” and “Liquidity and Capital Resources.” For a similar detailed discussion comparing 2021 and 2020, refer to those headings under Item 7., “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” in our Annual Report on Form 10-K for the year ended December 31, 2021.

BUSINESS OVERVIEW

Information Services Group, Inc. (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to over 900 clients, including more than 75 of the top 100 enterprises in our markets, ISG is committed to helping corporations, public sector organizations and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; technology strategy and operations design; change management; market intelligence and technology research and analysis. Founded in 2006, and based in Stamford, Connecticut, ISG employs approximately 1,600 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise and world-class research and analytical capabilities based on the industry’s most comprehensive marketplace data. For more information, visit www.isg-one.com.

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Our strategy is to strengthen our existing market position and develop new services and products to support future growth plans. As a result, we are focused on growing our existing service model, expanding geographically, developing new industry sectors, productizing market data assets, expanding our managed services offerings and growing via acquisitions. Although we do not expect any adverse conditions that will impact our ability to execute against our strategy over the next twelve months, the more significant factors that could limit our ability to grow in these areas include global macro-economic conditions and the impact on the overall sourcing market, competition, our ability to retain advisors and reductions in discretionary spending with our top client accounts or other significant client events. Other areas that could impact the business would also include natural disasters, pandemics, such as COVID-19, legislative and regulatory changes and capital market disruptions.

We principally derive revenues from fees for services generated on a project-by-project basis. Prior to the commencement of a project, we reach agreement with the client on rates for services based upon the scope of the project, staffing requirements and the level of client involvement. Revenues for services rendered are recognized on a time and materials basis or on a fixed-fee or capped-fee basis in accordance with accounting and disclosure requirements for revenue recognition.

Revenues for time and materials contracts are recognized based on the number of hours worked by our advisors at an agreed upon rate per hour and are recognized in the period in which services are performed. Revenues for time and materials contracts are billed monthly, semimonthly or in accordance with the specific contractual terms of each project.

We also derive our revenues from certain recurring revenue streams. These include such annuity-based ISG offerings as ISG GovernX, Research, Software as a Subscription (Automation licenses), ISG Inform and the multi-year Public Sector contracts. These offerings are characterized by subscriptions (i.e., renewal centric as opposed to project centric revenue streams) or, in some instances, multi-year contracts. Our digital services now span a volume of offerings and have become embedded as part of even our traditional transaction services. Digital enablement provides capabilities, digital insights and better engagement with clients and partners.

Our results are impacted principally by our full-time consultants' utilization rate, the number of business days in each quarter and the number of our revenue-generating professionals who are available to work. Our utilization rate can be negatively affected by increased hiring because there is generally a transition period for new professionals that result in a temporary drop in our utilization rate. Our utilization rate can also be affected by seasonal variations in the demand for our services from our clients. The number of business workdays is also affected by the number of vacation days taken by our consultants and holidays in each quarter. We typically have fewer business workdays available in the fourth quarter of the year, which can impact revenues during that period. Time-and-expense engagements do not provide us with a high degree of predictability as to performance in future periods. Unexpected changes in the demand for our services can result in significant variations in utilization and revenues and present a challenge to optimal hiring and staffing. The volume of work performed for any particular client can vary widely from period to period.

CURRENT ENVIRONMENT

Inflation rates and the adverse effect of interest rates have increased significantly in the past year. Inflation has not had a material effect on our business operations, financial performance and results of operations, other than its impact on the general economy. Our exposure from changes to interest rates also has not had a material impact. The Company continuously monitors these changes and evaluates any effect. If our costs, in particular personnel-related costs, were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases in future periods. Our inability or failure to realize these offsets could adversely affect our business operations, financial performance and results of operations.

EXECUTIVE SUMMARY

ISG delivered another record performance in 2022. Coming off our best year ever, we elevated our results to new heights. The Company's 2022 success was built on our strong portfolio of services and solutions, our proven ISG NEXT operating model and our growing client base. We exceeded 900 clients for the first time, continuing a trend that has seen our client base grow significantly over the past few years.

Nearly every one of our clients today is a digital business. Each is using digital technology to redefine how they operate, how they engage with customers, employees and business partners, and how they create new revenue streams through connected products and services.

Our record revenue and profitability were the result of the operating efficiencies we derive from our ISG NEXT operating model, as well as our more profitable mix of products and services. Our iFlex delivery model, part of ISG NEXT, is generating strong utilization across the firm, allowing us to effectively manage our resources across borders and time zones and deliver greater value to our clients, mostly on a virtual basis.

Our strong financial position and operating results allowed us to return \$24 million of capital to our shareholders in the form of dividends and share repurchases in 2022. It also allowed us to amend our existing \$140 million credit agreement in early 2023, converting it to an all-revolver facility, with more favorable terms and an extended maturity date.

Looking ahead, we remain confident about our overall prospects for 2023 and beyond. We are investing now for when the overall market rebounds and demand surges forward again during the next big wave of digitalization.

During 2022, we added more than 250 new professionals to the firm to support our future growth. We also added new and important capabilities with our acquisitions of Change 4 Growth, an award-winning company specializing in transformational change for enterprises, and Agreemint, an automated contracting solution.

Change 4 Growth is a perfect complement to our existing ISG Enterprise Change business and makes ISG a global leader in change management. This acquisition will expand the ISG Enterprise Change business by offering organizational change management (OCM), communications, training development and delivery, leadership development, mentoring, DEI programs, executive coaching and culture change. Agreemint, meanwhile, complements our ISG GovernX business. This AI-powered contract authorizing tool allows clients to negotiate better contracts and accelerate time to completion.

Our clients continue to be the lifeblood of our firm. Our success requires our shared commitment to delivering value to them every day. And by all measures, we are doing a very good job of that.

Environmental, Social and Governance (ESG) has become firmly entrenched in the culture of ISG. We are delighted our people, through individual and group efforts, are helping to lead the charge for better communities, a better environment and better opportunities for all.

Throughout the pandemic years, we reinvented ISG and invested in our future. That has resulted in two back-to-back years of record-breaking financial results and a continuously growing client base. It also has created a solid foundation for the future.

With our ISG NEXT operating model and unmatched portfolio of solutions, advice, research and support, we are ready to take on all challenges and build on our momentum as a stronger, more valuable firm.

RESULTS OF OPERATIONS

YEAR ENDED DECEMBER 31, 2022 COMPARED TO YEAR ENDED DECEMBER 31, 2021

Revenues

Revenues are generally derived from fixed-fee contracts as well as engagements priced on a time and materials basis, which are recorded based on actual time worked as the services are performed. In addition, we also earn revenues which are contingent on the attainment of certain contractual milestones. Revenues related to materials required during an engagement (mainly out-of-pocket expenses such as airfare, lodging and meals) generally do not include a profit mark up and can be charged and reimbursed separately or as part of the overall fee arrangement. Invoices are issued to clients monthly, semimonthly or in accordance with the specific contractual terms of each project.

We operate in one segment, fact-based sourcing advisory services. We operate principally in the Americas, Europe and Asia Pacific. Our foreign operations are subject to local government regulations and to the uncertainties of the economic and political conditions of those areas, and the revenue for our foreign operations is predominantly invoiced and collected in local currency.

Geographical revenue information for the segment is as follows:

Geographic Area	Years Ended December 31,			Percent Change
	2022	2021	Change	
	(in thousands)			
Americas	\$ 166,661	\$ 160,181	\$ 6,480	4 %
Europe	89,908	90,256	(348)	(0)%
Asia Pacific	29,698	27,395	2,303	8 %
Total revenues	\$ 286,267	\$ 277,832	\$ 8,435	3 %

Revenues increased by \$8.4 million or approximately 3% in 2022. The increase in revenue in the Americas was primarily attributable to an increase in our Advisory, Research, NaSa and GovernX service lines, partially offset by a decrease in our Automation service line. The revenue in Europe was flat with an increase in our Automation and GovernX service lines, being offset by a decrease in our Advisory, Research and NaSa service lines. The increase in revenue in Asia Pacific was primarily attributable to an increase in our NaSa, Advisory and GovernX service lines, partially offset by a decrease in our Research service line. The translation of foreign currency revenues into U.S. dollars negatively impacted performance in Europe and Asia Pacific compared to the prior year by \$12.7 million.

Operating Expenses

The following table presents a breakdown of our operating expenses by functional category:

Operating Expenses	Years Ended December 31,			Percent Change
	2022	2021	Change	
	(in thousands)			
Direct costs and expenses for advisors	\$ 169,650	\$ 168,475	\$ 1,175	1 %
Selling, general and administrative	81,769	78,759	3,010	4 %
Depreciation and amortization	5,368	5,331	37	1 %
Total operating expenses	<u>\$ 256,787</u>	<u>\$ 252,565</u>	<u>\$ 4,222</u>	2 %

Total operating expenses increased by \$4.2 million, or approximately 2%, for 2022. The increase in operating expenses was due primarily to higher travel and entertainment expenses of \$3.3 million, compensation expenses of \$3.0 million, event-related expenses of \$1.5 million, non-cash stock compensation of \$1.0 million, professional fees of \$0.6 million, bad debt expenses of \$0.5 million, occupancy expenses of \$0.4 million, subscriptions fees of \$0.3 million and computer expenses of \$0.3 million. The cost increases were partially offset by lower contract labor of \$4.2 million, changes in fair value of contingent consideration of \$1.5 million, lower restructuring costs of \$0.8 million and communication expenses of \$0.4 million.

Compensation costs consist of a mix of fixed and variable salaries, annual bonuses, benefits and retirement plan contributions. Statutory and 401(k) plans are offered to employees as appropriate. Direct costs also include employee taxes, health insurance, workers compensation and disability insurance.

A portion of compensation expenses for certain billable employees are allocated between direct costs and selling, general and administrative costs based on relative time spent between billable and non-billable activities.

Selling costs consist principally of compensation expense related to business development, proposal preparation and delivery and negotiation of new client contracts. Selling costs also include travel expenses relating to the pursuit of sales opportunities, expenses for hosting periodic client conferences, public relations activities, participation in industry conferences, industry relations, website maintenance and business intelligence activities. Additionally, we maintain a dedicated global marketing function responsible for developing and managing sales campaigns, brand promotion, the ISG Index and assembling client proposals.

We maintain a comprehensive program for training and professional development with the related costs included in SG&A. Related expenses include product training, updates on new service offerings or methodologies and development of client project management skills. Also included in training and professional development are expenses associated with the development, enhancement and maintenance of our proprietary methodologies and tools and the systems that support them.

Selling, general and administrative expenses consist principally of executive management compensation, allocations of billable employee compensation related to general management activities, IT infrastructure and costs for finance, accounting, information technology and human resource functions. General and administrative costs also reflect continued investment associated with implementing and operating client and employee management systems. Because our billable personnel operate remotely or on client premises, all occupancy expenses are recorded as general and administrative.

Depreciation and amortization expenses in 2022 and 2021 were \$5.4 million and \$5.3 million, respectively. Our fixed assets consist of furniture, fixtures, equipment (mainly personal computers) and leasehold improvements. Depreciation expenses are generally computed by applying the straight-line method over the estimated useful lives of assets. We also capitalize some costs associated with the purchase and development of internal-use software, system conversions and website development costs. These costs are amortized over the estimated useful life of the software or system.

We amortize our intangible assets (e.g., client relationships and databases) over their estimated useful lives. Goodwill related to acquisitions is not amortized but is subject to annual impairment testing.

Other Income (Expense), Net

The following table presents a breakdown of other expense, net:

Other income (expense), net	Years Ended December 31,			Percent Change
	2022	2021	Change	
	(in thousands)			
Interest income	\$ 189	\$ 142	\$ 47	33 %
Interest expense	(3,157)	(2,342)	(815)	(35)%
Foreign currency transaction gain	170	44	126	286 %
Total other income (expense), net	\$ (2,798)	\$ (2,156)	\$ (642)	(30)%

The total increase of \$0.6 million was primarily the result of higher interest expense attributable to higher interest rates and higher borrowings outstanding.

Income Tax Expense

Our effective tax rate varies from period to period based on the mix of earnings among the various state and foreign tax jurisdictions in which business is conducted and the level of non-deductible expenses incurred in any given period. Our effective tax rate for the year ended December 31, 2022 was 26.1% compared to 32.8% for the year ended December 31, 2021. The variance from the U.S. statutory rate of 21.0% for the year ended December 31, 2022 was primarily caused by the impact of higher tax rates applicable on company earnings in foreign jurisdictions and non-deductible expenses for tax purposes in the United States.

NON-GAAP FINANCIAL PRESENTATION

This management’s discussion and analysis presents supplemental measures of our performance that are derived from our consolidated financial information but are not presented in accordance with accounting principles generally accepted in the United States of America (“GAAP”). We refer to these financial measures, which are considered “non-GAAP financial measures” under SEC rules, as adjusted EBITDA, adjusted net income and adjusted earnings per diluted share, each as defined below. See “Non-GAAP Financial Measures” below for information about our use of these non-GAAP financial measures, including our reasons for including these measures and reconciliations of each non-GAAP financial measure to the most directly comparable GAAP financial measure.

NON-GAAP FINANCIAL MEASURES

We use non-GAAP financial measures to supplement the financial information presented on a GAAP basis. We provide adjusted EBITDA (defined as net income, plus interest, taxes, depreciation and amortization, foreign currency transaction gains/losses, non-cash stock compensation, interest accretion associated with contingent consideration, acquisition-related costs, and severance, integration and other expense), adjusted net income (defined as net income, plus amortization of intangible assets, non-cash stock compensation, foreign currency transaction gains/losses, interest accretion associated with contingent consideration, acquisition-related costs, and severance, integration and other expense on a tax-adjusted basis) and adjusted net income per diluted share, excluding the net of tax effect of the items set forth in the table below. These are non-GAAP measures that the Company believes provide useful information to both management and investors by excluding certain expenses and financial implications of foreign currency translations that management believes are not indicative of ISG’s core operations. These non-GAAP measures are used by the Company to evaluate the Company’s business strategies and management’s performance. These non-GAAP financial measures exclude non-cash and certain other special charges that many investors believe may obscure the user’s overall understanding of the Company’s current financial performance and the Company’s prospects for the future. We

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believe that these non-GAAP measures provide useful information to investors because they improve the comparability of the financial results between periods and provide for greater transparency of key measures used to evaluate the Company's performance.

	Years Ended December 31,	
	2022	2021
	(in thousands)	
Net income	\$ 19,726	\$ 15,529
Interest expense (net of interest income)	2,968	2,200
Income taxes	6,956	7,582
Depreciation and amortization	5,368	5,331
Interest accretion associated with contingent consideration	33	101
Acquisition-related costs ⁽¹⁾	282	240
Severance, integration and other expense	633	1,406
Foreign currency transaction gain	(170)	(44)
Non-cash stock compensation	7,460	6,467
Adjusted EBITDA	\$ 43,256	\$ 38,812

	Years Ended December 31,	
	2022	2021
	(in thousands)	
Net income	\$ 19,726	\$ 15,529
Non-cash stock compensation	7,460	6,467
Intangible amortization	2,323	2,643
Interest accretion associated with contingent consideration	33	101
Acquisition-related costs ⁽¹⁾	282	240
Severance, integration and other expense	633	1,406
Foreign currency transaction gain	(170)	(44)
Tax effect ⁽²⁾	(3,379)	(3,460)
Adjusted net income	\$ 26,908	\$ 22,882

	Years Ended December 31,	
	2022	2021
	(in thousands)	
Net income per diluted share	\$ 0.39	\$ 0.30
Non-cash stock compensation	0.15	0.12
Intangible amortization	0.05	0.05
Interest accretion associated with contingent consideration	0.00	0.00
Acquisition-related costs ⁽¹⁾	0.00	0.01
Severance, integration and other expense	0.01	0.03
Foreign currency transaction gain	0.00	0.00
Tax effect ⁽²⁾	(0.07)	(0.07)
Adjusted net income per diluted share	\$ 0.53	\$ 0.44

(1) Consists of expenses from acquisition-related costs and non-cash fair value adjustments on pre-acquisition contract liabilities.

(2) Marginal tax rate of 32%, reflecting U.S. federal income tax rate of 21% plus 11% attributable to U.S. states and foreign jurisdictions.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Our primary sources of liquidity are cash flows from operations, existing cash and cash equivalents and borrowings under our revolving line of credit. Operating assets and liabilities consist primarily of accounts receivable and contract assets, prepaid expense and other assets, accounts payable, contract liabilities, accrued expenses and other liabilities. The volume of billings and timing of collections and payments affect these account balances.

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The following table summarizes our cash flows for the years ended December 31, 2022 and 2021:

	Years Ended December 31,	
	2022	2021
	(in thousands)	
Net cash provided by (used in):		
Operating activities	\$ 11,146	\$ 41,942
Investing activities	(6,873)	(2,320)
Financing activities	(18,941)	(34,125)
Effect of exchange rate changes on cash	(2,271)	(1,713)
Net (decrease) increase in cash, cash equivalents, and restricted cash	\$ (16,939)	\$ 3,784

As of December 31, 2022, our liquidity and capital resources included cash, cash equivalents and restricted cash of \$30.7 million compared to \$47.6 million as of December 31, 2021, a net decrease of \$16.9 million, which was primarily attributable to the following:

- our operating activities provided net cash of \$11.1 million for the year ended December 31, 2022. Net cash provided from operations was primarily attributable to our net income after adjustments for non-cash charges of approximately \$34.1 million partially offset by \$23.0 million use of working capital primarily attributable to a \$14.0 million change in accounts receivables and contract assets, a \$7.2 million change in accrued expenses and other liabilities, a \$1.0 million change in prepaid expense and other assets, a \$0.7 million change in accounts payables; and \$0.1 million change in contract liabilities;
- treasury share repurchases of \$12.1 million;
- payments related to tax withholding for stock-based compensation of \$4.1 million;
- cash dividends paid to shareholders of \$7.5 million;
- proceeds from revolving facility of \$9.0 million;
- principal payments on borrowings of \$4.3 million;
- payment of contingent consideration of \$1.0 million;
- payment for Change 4 Growth acquisition of \$3.5 million;
- capital expenditures for property, plant and equipment of \$3.4 million; and
- proceeds from issuance of employee stock purchase plan shares of \$0.9 million.

Capital Resources

The Company's current outstanding debt may limit our ability to fund general corporate requirements and obtain additional financing, impact our flexibility in responding to business opportunities and competitive developments and increase our vulnerability to adverse economic and industry conditions.

On March 10, 2020, the Company amended and restated the 2020 Credit Agreement to include a \$86.0 million term facility and to increase the revolving commitments per the revolving facility from \$30.0 million to \$54.0 million. The material terms under the 2020 Credit Agreement are as follows:

- Each of the term loan facility and revolving credit facility has a maturity date of March 10, 2025 (the "Maturity Date").
- The credit facility is secured by all of the equity interests owned by the Company and its direct and indirect domestic subsidiaries and subject to agreed exceptions, the Company's direct and indirect "first-tier" foreign subsidiaries and a perfected first priority security interest in all of the Company's and its direct and indirect domestic subsidiaries' tangible and intangible assets.
- The Company's direct and indirect existing and future wholly owned domestic subsidiaries serve as guarantors to the Company's obligations under the senior secured facility.
- At the Company's option, the credit facility bears interest at a rate per annum equal to either (i) the "Base Rate" (which is the highest of (a) the rate publicly announced from time to time by the administrative agent as its "prime rate", (b) the Federal Funds Rate plus 0.5% per annum and (c) the Eurodollar Rate, plus 1.0%), plus the applicable margin or (ii) Eurodollar Rate (adjusted for maximum reserves) as determined by the Administrative Agent (as defined in the 2020 Credit Agreement), plus the applicable margin. The applicable margin is adjusted quarterly based upon the Company's quarterly leverage ratio.

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- The term loan is repayable in nineteen consecutive quarterly installments of \$1,075,000 that commenced on June 30, 2020 and a final payment of the outstanding principal amount of the term loan on the Maturity Date.
- Mandatory repayments of term loans shall be required from (subject to agreed exceptions) (i) 100% of the proceeds from asset sales by the Company and its subsidiaries, (ii) 100% of the net proceeds from issuances of debt and equity by the Company and its subsidiaries and (iii) 100% of the net proceeds from insurance recovery and condemnation events of the Company and its subsidiaries.
- The senior secured credit facility contains a number of covenants that, among other things, place restrictions on matters customarily restricted in senior secured credit facilities, including restrictions on indebtedness (including guarantee obligations), liens, fundamental changes, sales or disposition of property or assets, investments (including loans, advances, guarantees and acquisitions), transactions with affiliates, dividends and other payments in respect of capital stock, optional payments and modifications of other material debt instruments, negative pledges and agreements restricting subsidiary distributions and changes in line of business. In addition, the Company is required to comply with a total leverage ratio and fixed charge coverage ratio.
- The senior secured credit facility contains customary events of default, including cross-default to other material agreements, judgment default and change of control.

The Company's financial statements include outstanding borrowings of \$79.2 million and \$74.5 million as of December 31, 2022 and December 31, 2021, respectively, which are carried at amortized cost. The fair value of debt is classified within Level 3 of the fair value hierarchy. The fair value of the Company's outstanding borrowings is approximately \$76.5 million and \$73.6 million as of December 31, 2022 and December 31, 2021, respectively. The fair values of debt have been estimated using a discounted cash flow analysis based on the Company's incremental borrowing rate for similar borrowing arrangements. The incremental borrowing rate used to discount future cash flows was 6.3% and 2.0% for December 31, 2022 and December 31, 2021, respectively. The Company also considered recent transactions of peer group companies for similar instruments with comparable terms and maturities as well as an analysis of current market conditions and interest rates. As of December 31, 2022 and December 31, 2021, there were \$9.0 million and \$0.0 million borrowings, respectively, under the revolver. The Company is currently in compliance with its financial covenants.

We anticipate that our current cash and the ongoing cash flows from our operations will be adequate to meet our working capital, capital expenditure and debt financing needs for at least the next twelve months. The anticipated cash needs of our business could change significantly if we pursue and complete additional business acquisitions, if our business plans change, if economic conditions change from those currently prevailing or from those now anticipated, or if other unexpected circumstances arise that may have a material effect on the cash flow or profitability of our business. If we require additional capital resources to grow our business, either internally or through acquisition, or maintain liquidity, we may seek to sell additional equity securities or to secure additional debt financing. The sale of additional equity securities or certain forms of debt financing could result in additional dilution to our stockholders. We may not be able to obtain financing arrangements in amounts or on terms acceptable to us in the future.

The Company has financial covenants underlying its debt which require a Debt to adjusted EBITDA ratio of 3.25. The Company was in compliance with its financial covenants under the 2020 Credit Agreement as of December 31, 2022.

On February 22, 2023, the Company entered into a third amended and restated senior secured credit facility comprising a \$140.0 million revolving credit facility, amending and restating the 2020 Credit Agreement.

Employee Retirement Plans

For both fiscal years ended December 31, 2022 and 2021, we contributed \$2.1 million, respectively, to our 401(k) plan (the "Savings Plan") on a fully discretionary basis. These amounts were invested by the participants in a variety of investment options under an arrangement with a third-party asset manager. All current and future financial risks associated with the gains and losses on investments are borne by Savings Plan participants.

Critical Accounting Policies and Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires the appropriate application of certain accounting policies, many of which require management to make estimates and assumptions about future events and their impact on amounts reported in our consolidated financial statements and related notes. Since future events and their impact cannot be determined with certainty, the actual results may differ from estimates. Such differences may be material to the consolidated financial statements.

We believe the application of accounting policies, and the estimates inherently required therein, are reasonable. These accounting policies and estimates are periodically reevaluated, and adjustments are made when facts and circumstances dictate a change. Historically, we have found the application of accounting policies to be appropriate, and actual results have not differed materially from those determined using necessary estimates.

Our accounting policies are more fully described in “Note 2—Summary of Significant Accounting Policies” in the “Notes to the Consolidated Financial Statements.” We have identified revenue recognition as a critical accounting estimate:

Revenue Recognition

We recognize our revenues by applying the following five steps: (1) identifying the contract with the customer; (2) identifying the performance obligation(s) in the contract; (3) determining the transaction price; (4) allocating the transaction price to the performance obligation(s); and (5) recognizing revenue when (or as) the Company satisfies the performance obligation(s).

We principally derive revenues from fees for services generated on a project-by-project basis. Prior to the commencement of a project, we reach agreement with the client on rates for services based upon the scope of the project, staffing requirements and the level of client involvement. It is our policy to obtain written agreements from clients prior to performing services or when evidence of enforceable rights and obligations is obtained. In these agreements, the clients acknowledge that they will pay based upon the amount of time spent on the project or an agreed upon fee structure.

Revenues for time and materials contracts, which may include capped-fees or “not-to-exceed” clauses, are recognized based on the number of hours worked by our advisors at an agreed-upon rate per hour and are recognized in the period in which services are performed. Revenues for time and materials contracts are billed monthly, semimonthly or in accordance with the specific contractual terms of each project. For contracts with capped fees or not-to-exceed clauses, we monitor our performance and fees billed to ensure that revenue is not recognized in excess of the contractually capped fee.

Revenues related to fixed-fee contracts are recognized as value is delivered to the customer, consistent with the transfer of control to the customer over time. Revenue for these contracts is recognized proportionally over the term of the contract using an input method based on the proportion of labor hours incurred as compared to the total estimated labor hours for the fixed-fee contract performance obligations, which we consider the best available indicator of the pattern and timing in which contract performance obligations are fulfilled and control transfers to the customer. This percentage is multiplied by the contracted dollar amount of the project to determine the amount of revenue to recognize in an accounting period. The contracted amount used in this calculation typically excludes the amount the client pays for reimbursable expenses. There are situations where the number of hours to complete projects may exceed our original estimate as a result of an increase in project scope or unforeseen events. The results of any revisions in these estimates are reflected in the period in which they become known.

For managed service implementation contracts, revenue is recognized over time as a percentage of hours incurred to date as compared to the total expected hours of the implementation, consistent with the transfer of control to the customer. For ongoing managed services contract, revenue is recognized over time, consistent with the weekly or monthly fee specified within such arrangements.

We also derive revenues based on negotiating reductions in network and software costs of companies with the entities’ related service providers and providing other services such as audits of network and communication expenses and consultation for network architecture. These contracts can be fixed in fees or can be based on the level of savings achieved related to its communications costs. Additionally, these contracts can also have a fixed component and a contingent component that is based on the savings generated by the Company. For network and software contingency contracts with termination for convenience clauses, revenue is recognized over time due to the existence of provisions for payment for progress incurred to date plus a reasonable profit margin. The contract periods range from a few months to in excess of a year.

We also enter into arrangements for the sale of automation software licenses and related delivery of consulting or implementation services at the same time or within close proximity to one another. Such software-related performance obligations include the sale of on-premise software, hybrid and software-as-a-service licenses, as well as other software-related services. Revenue associated with the software performance obligation is primarily recognized at the point at which the software is installed or access is granted.

Revenue associated with events is recognized at the point of time at which the event occurs and is primarily comprised of sponsorships. Conversely, revenue associated with research subscriptions is recognized over time, as the customer accesses our data or related platforms. In addition, we sell research products for which the revenue is recognized at a point in time upon delivery to the client.

The agreements entered into in connection with a project typically allow our clients to terminate early due to breach or for convenience with 30 days’ notice. In the event of termination, the client is contractually required to pay for all time, materials and expenses incurred by us through the effective date of the termination. In addition, from time to time, we enter into agreements with clients that limit our right to enter into business relationships with specific competitors of that client for a specific time period. These provisions typically

prohibit us from performing a defined range of services that we might otherwise be willing to perform for potential clients. These provisions are generally limited to six to twelve months and usually apply only to specific employees or the specific project team.

When we recognize revenues in advance of billing, those revenues are recorded as contract assets. When we invoice in advance of earning revenues, those amounts are recorded as contract liabilities.

Recent Accounting Pronouncements

See Note 2 to our consolidated financial statements included elsewhere in this report.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

As a smaller reporting company, we are not required to provide the information required by this item.

Item 8. Financial Statements and Supplementary Data

Reference is made to our financial statements beginning on page F-1 of this report.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

Our disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2022, as required by Rule 13a-15(b) under the Exchange Act. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of December 31, 2022.

Management’s Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our financial statements for external reporting purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2022, as required by Rule 13a-15(c) under the Exchange Act. In making this assessment, we used the criteria set forth in the framework in *Internal Control—Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on its evaluation, management concluded that our internal control over financial reporting was effective as of December 31, 2022.

The effectiveness of the Company’s internal control over financial reporting as of December 31, 2022, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in its report which appears herein.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended December 31, 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on the Effectiveness of Controls

Our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not

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absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in a cost-effective control system, no controls can provide absolute assurance that misstatements due to error or fraud will not occur, and no evaluation of any such controls can provide absolute assurance that control issues and instances of fraud, if any, within our Company have been detected.

These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls' effectiveness to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies and procedures.

Item 9B. Other Information

None.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

(a) Identification of Directors and Executive Officers.

The information required hereunder is incorporated by reference from the sections of our Proxy Statement filed in connection with our 2023 Annual Meeting of Stockholders under the caption "Management."

(b) Code of Ethics.

The information required hereunder is incorporated by reference from the sections of our Proxy Statement filed in connection with our 2023 Annual Meeting of Stockholders under the caption "Corporate Governance."

(c) Nominating Committee, Audit Committee, Audit Committee Financial Expert.

The information required hereunder is incorporated by reference from the sections of our Proxy Statement filed in connection with our 2023 Annual Meeting of Stockholders under the caption "Corporate Governance."

Item 11. Executive Compensation

The information required hereunder is incorporated by reference from the sections of our Proxy Statement filed in connection with our 2023 Annual Meeting of Stockholders under the caption "Corporate Governance," "Executive Compensation," "Summary Compensation Table" and "Outstanding Equity Awards at 2022 Fiscal Year End."

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required hereunder is incorporated by reference from the sections of our Proxy Statement filed in connection with our 2023 Annual Meeting of Stockholders under the caption "Security Ownership of Certain Beneficial Owners."

Item 13. Certain Relationships and Related Transactions and Director Independence

The information required hereunder is incorporated by reference from the sections in our Proxy Statement filed in connection with our 2023 Annual Meeting of the Stockholders under the caption "Corporate Governance."

Item 14. Principal Accounting Fees and Services

The information required hereunder is incorporated by reference from the sections in our Proxy Statement filed in connection with our 2023 Annual Meeting of the Stockholders under the caption "Proposal No. 2 Ratification of Engagement of Independent Registered Public Accounting Firm."

PART IV

Item 15. Exhibits and Financial Statement Schedule

(a)(1) Documents filed as a part of this report:

Financial Statements of Information Services Group, Inc.:

Report of Independent Registered Public Accounting Firm (PCAOB ID 238)	F-1
Consolidated Balance Sheets as of December 31, 2022 and 2021	F-3
Consolidated Statement of Income and Comprehensive Income for the years ended December 31, 2022 and 2021	F-4
Consolidated Statement of Stockholders' Equity as of December 31, 2022, and 2021	F-5
Consolidated Statement of Cash Flows for the years ended December 31, 2022 and 2021	F-6
Notes to Consolidated Financial Statements	F-7

(a)(2) Financial Statement Schedule

Schedule II—Valuation and Qualifying Accounts for the years ended December 31, 2022, and 2021	G-1
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(a)(3) Exhibits:

We hereby file as part of this Annual Report on Form 10-K the Exhibits listed in the attached Exhibit Index.

Item 16. FORM 10-K SUMMARY

None

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Information Services Group, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Information Services Group, Inc. and its subsidiaries (the “Company”) as of December 31, 2022 and 2021, and the related consolidated statements of income and comprehensive income, of stockholders’ equity and of cash flows for the years then ended, including the related notes and schedule of valuation and qualifying accounts for the years then ended appearing under Item 15(a)(2) (collectively referred to as the “consolidated financial statements”). We also have audited the Company’s internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company’s management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management’s Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company’s consolidated financial statements and on the Company’s internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Recognition – Estimated Labor Hours to Complete Fixed Fee Contract Performance Obligations

As described in Note 2 to the consolidated financial statements, revenues related to fixed fee contracts are recognized as value is delivered to the customer, consistent with the transfer of control to the customer over time. Revenue for these contracts is recognized proportionally over the term of the contract using an input method based on the proportion of labor hours incurred as compared to the total estimated labor hours for the fixed fee contract performance obligations, which management considers to be the best available indicator of the pattern and timing in which contract performance obligations are fulfilled and control transfers to the customer. This percentage is multiplied by the contracted dollar amount of the project to determine the amount of revenue to recognize in an accounting period. Revenue related to fixed fee contracts is a portion of the Company's total revenue of \$286 million for the year ended December 31, 2022.

The principal considerations for our determination that performing procedures relating to revenue recognition – estimated labor hours to complete fixed fee contract performance obligations is a critical audit matter are the significant judgment by management when developing the total estimated labor hours to complete fixed fee contract performance obligations used to determine the amount of revenue to recognize, which in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate the total estimated labor hours to complete performance obligations used in revenue recognition for fixed fee contracts.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the revenue recognition process, including controls over the determination of total estimated labor hours to complete fixed fee contract performance obligations. The procedures also included, among others, (i) evaluating management's process for determining the total estimate of labor hours to complete performance obligations; (ii) evaluating the reasonableness of estimated labor hours used by management for a sample of fixed fee contracts; (iii) testing actual hours incurred and recalculating the revenue recognized to date for a sample of fixed fee contracts; and (iv) considering the factors that can affect the accuracy of estimated labor hours for a sample of fixed fee contracts. Evaluating the revenue recognition for fixed fee contracts involved assessing management's ability to reasonably estimate labor hours to complete the performance obligations by performing a comparison of the original estimated and actual hours incurred on similar completed fixed fee contracts.

/s/ PricewaterhouseCoopers LLP
Stamford, Connecticut
March 10, 2023

We have served as the Company's auditor since 2008.

INFORMATION SERVICES GROUP, INC.

CONSOLIDATED BALANCE SHEETS

(In thousands, except par value)

	Years Ended December 31,	
	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 30,587	\$ 47,521
Accounts receivable and contract assets, net of allowance of \$272 and \$40, respectively	80,170	64,344
Prepaid expenses and other current assets	4,724	4,245
Total current assets	115,481	116,110
Restricted cash	83	88
Furniture, fixtures and equipment, net	5,929	5,293
Right-of-use lease assets	6,780	5,293
Goodwill	94,972	90,790
Intangible assets, net	14,380	12,410
Deferred tax assets	2,818	2,197
Other assets	2,585	4,613
Total assets	\$ 243,028	\$ 236,794
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 15,925	\$ 16,162
Current maturities of long-term debt	4,300	4,300
Contract liabilities	7,058	7,049
Accrued expenses and other current liabilities	23,908	29,327
Total current liabilities	51,191	56,838
Long-term debt, net of current maturities	74,416	69,490
Deferred tax liabilities	2,391	2,824
Operating lease liabilities	4,857	3,481
Other liabilities	9,742	5,768
Total liabilities	142,597	138,401
Commitments and contingencies (Note 13)		
Stockholders' equity		
Preferred stock, \$0.001 par value; 10,000 shares authorized; none issued	—	—
Common stock, \$0.001 par value, 100,000 shares authorized; 49,472 shares issued and 48,300 outstanding at December 31, 2022 and 49,362 shares issued and 48,856 outstanding at December 31, 2021	49	49
Additional paid-in capital	226,293	237,628
Treasury stock (1,172 and 506 common shares, respectively, at cost)	(7,487)	(3,871)
Accumulated other comprehensive loss	(9,677)	(6,940)
Accumulated deficit	(108,747)	(128,473)
Total stockholders' equity	100,431	98,393
Total liabilities and stockholders' equity	\$ 243,028	\$ 236,794

The accompanying notes are an integral part of these consolidated financial statements.

INFORMATION SERVICES GROUP, INC.
CONSOLIDATED STATEMENT OF INCOME AND COMPREHENSIVE INCOME
(In thousands, except per share data)

	<u>Years Ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
Revenues	\$ 286,267	\$ 277,832
Operating expenses		
Direct costs and expenses for advisors	169,650	168,475
Selling, general and administrative	81,769	78,759
Depreciation and amortization	5,368	5,331
Operating income	29,480	25,267
Interest income	189	142
Interest expense	(3,157)	(2,342)
Foreign currency transaction gain	170	44
Income before taxes	26,682	23,111
Income tax provision	6,956	7,582
Net income	19,726	15,529
Weighted average shares outstanding:		
Basic	48,175	48,638
Diluted	50,420	51,756
Earnings per share:		
Basic	\$ 0.41	\$ 0.32
Diluted	\$ 0.39	\$ 0.30
Comprehensive income:		
Net income	\$ 19,726	\$ 15,529
Foreign currency translation loss, net of tax benefit of (\$859), and (\$724), respectively	(2,737)	(2,269)
Comprehensive income	\$ 16,989	\$ 13,260

The accompanying notes are an integral part of these consolidated financial statements.

INFORMATION SERVICES GROUP, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(In thousands, except per share data)

	Common Stock		Additional Paid-in- Capital	Treasury Stock	Accumulated Other Comprehensive Loss		Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			Loss	Deficit		
Balance December 31, 2020	48,297	\$ 48	\$ 248,018	\$ (256)	\$ (4,671)	\$ (144,002)	\$ 99,137	
Net income	—	—	—	—	—	15,529	15,529	
Other comprehensive loss	—	—	—	—	(2,269)	—	(2,269)	
Treasury shares repurchased	—	—	—	(16,331)	—	—	(16,331)	
Proceeds from issuance of ESPP shares	—	—	61	549	—	—	610	
Issuance of treasury shares	—	—	(12,167)	12,167	—	—	—	
Issuance of common stock for RSUs vested	1,065	1	(1)	—	—	—	—	
Accrued dividends on unvested shares	—	—	(313)	—	—	—	(313)	
Cash dividends paid to shareholders (\$0.09 per share)	—	—	(4,437)	—	—	—	(4,437)	
Stock based compensation	—	—	6,467	—	—	—	6,467	
Balance December 31, 2021	49,362	\$ 49	\$ 237,628	\$ (3,871)	\$ (6,940)	\$ (128,473)	\$ 98,393	
Net income	—	—	—	—	—	19,726	19,726	
Other comprehensive loss	—	—	—	—	(2,737)	—	(2,737)	
Treasury shares repurchased	—	—	—	(16,124)	—	—	(16,124)	
Proceeds from issuance of ESPP shares	—	—	(249)	1,193	—	—	944	
Issuance of common stock for RSUs vested	—	—	(11,315)	11,315	—	—	—	
Issuance of common stock for Change 4 Growth acquisition	110	0	600	—	—	—	600	
Accrued dividends on unvested shares	—	—	(370)	—	—	—	(370)	
Cash dividends paid to shareholders (\$0.15 per share)	—	—	(7,461)	—	—	—	(7,461)	
Stock based compensation	—	—	7,460	—	—	—	7,460	
Balance December 31, 2022	49,472	\$ 49	\$ 226,293	\$ (7,487)	\$ (9,677)	\$ (108,747)	\$ 100,431	

The accompanying notes are an integral part of these consolidated financial statements.

INFORMATION SERVICES GROUP, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
(in thousands)

	Year Ended	
	Years Ended December 31,	
	2022	2021
Cash flows from operating activities		
Net income	\$ 19,726	\$ 15,529
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	3,045	2,688
Amortization of intangible assets	2,323	2,643
Deferred tax benefit from stock issuances	(1,290)	(2,389)
Amortization of deferred financing costs	340	354
Stock-based compensation	7,460	6,467
Change in fair value of contingent consideration	1,420	101
Provisions (benefits) for accounts receivable	320	(138)
Deferred tax provision	757	2,330
Changes in operating assets and liabilities:		
Accounts receivable and contract assets	(13,989)	2,648
Prepaid expense and other assets	(948)	(243)
Accounts payable	(699)	4,503
Contract liabilities	(76)	1,928
Accrued expenses and other liabilities	(7,243)	5,521
Net cash provided by operating activities	11,146	41,942
Cash flows from investing activities		
Change 4 Growth acquisition (Note 4)	(3,450)	—
Purchase of furniture, fixtures and equipment	(3,423)	(2,320)
Net cash used in investing activities	(6,873)	(2,320)
Cash flows from financing activities		
Proceeds from revolving facility	9,000	—
Principal payments on borrowings	(4,300)	(4,300)
Proceeds from issuance of employee stock purchase plan shares	944	610
Payments related to tax withholding for stock-based compensation	(4,054)	(7,109)
Payment of contingent consideration	(1,000)	(2,558)
Cash dividends paid to shareholders	(7,461)	(4,437)
Treasury shares repurchased	(12,070)	(16,331)
Net cash used in financing activities	(18,941)	(34,125)
Effect of exchange rate changes on cash	(2,271)	(1,713)
Net (decrease) increase in cash, cash equivalents, and restricted cash	(16,939)	3,784
Cash, cash equivalents, and restricted cash, beginning of period	47,609	43,825
Cash, cash equivalents, and restricted cash, end of period	\$ 30,670	\$ 47,609
Supplemental disclosures of cash flow information:		
Cash paid for:		
Interest	\$ 2,397	\$ 1,875
Taxes, net of refunds	\$ 12,516	\$ 3,582
Non-cash investing and financing activities:		
Issuance of treasury stock for vested restricted stock awards	\$ 11,315	\$ 12,167

The accompanying notes are an integral part of these consolidated financial statements.

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(tabular amounts in thousands, except per share data)

NOTE 1—DESCRIPTION OF ORGANIZATION AND BUSINESS OPERATIONS

Information Services Group, Inc. (the “Company”, or “ISG”) was founded in 2006 with the strategic vision to become a high-growth, leading provider of information-based advisory services. The Company specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; technology strategy and operations design; change management; market intelligence and technology research and analysis.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. These consolidated financial statements and footnotes are presented in accordance with accounting principles generally accepted in the United States of America (“GAAP”). All intercompany accounts and transactions have been eliminated in consolidation. Unless the context requires otherwise, references to the Company include ISG and its consolidated subsidiaries.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the periods reported. Actual results may differ from those estimates. The complexity of the estimation process and issues related to the assumptions, risks and uncertainties inherent in the application of the revenue recognition guidance for contracts in which control is transferred to the customer over time affect the amounts of revenues, expenses, contract assets and contract liabilities. Numerous internal and external factors can affect estimates. Estimates are also used for but not limited to: allowance for doubtful accounts, useful lives of furniture, fixtures and equipment and definite lived intangible assets, depreciation expense, fair value assumptions in evaluating goodwill for impairment, income taxes and deferred tax asset valuation and the valuation of stock-based compensation.

Business Combinations

We have acquired businesses critical to the Company’s long-term growth strategy. Results of operations for acquisitions are included in the accompanying consolidated statement of comprehensive income from the date of acquisition. Acquisitions are accounted for using the purchase method of accounting and the purchase price is allocated to the net assets acquired based upon their estimated fair values at the date of acquisition. The excess of the purchase price over the net assets is recorded as goodwill. Acquisition-related costs are expensed as incurred and recorded in selling, general and administrative expenses.

Cash and Cash Equivalents

The Company considers all highly liquid instruments with an original maturity of three months or less to be cash equivalents, including certain money market accounts. The Company principally maintains its cash in money market and bank deposit accounts in the United States of America, which typically exceed applicable insurance limits. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

Restricted Cash

Restricted cash consists of cash and cash equivalents which the Company has committed for rent deposits and are not available for general corporate purposes.

Accounts Receivable, Contract Assets and Allowance for Doubtful Accounts

Our trade receivables primarily consist of amounts due for services already performed. The Company maintains an allowance for doubtful accounts for estimated losses resulting from the inability of clients to pay fees or for disputes that affect its ability to fully collect billed accounts receivable. The allowance for these risks is prepared by reviewing the status of all accounts and recording reserves on a specific identification method based on previous experiences and historical bad debts. However, our actual experience may vary from these estimates. If the financial condition of our clients were to deteriorate, resulting in their inability or unwillingness to pay their invoices, we

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

may need to record additional allowances or write-offs in future periods. To the extent the provision relates to a client's inability or unwillingness to make required payments, the provision is recorded as bad debt expense, which is classified within selling, general and administrative expense in the accompanying consolidated statement of comprehensive income. Historically, the Company's bad debt reserves and write-offs have not been significant.

The provision for unbilled services is recorded as a reduction to revenues to the extent the provision relates to fee adjustments and other discretionary pricing adjustments. Historically, the Company's unbilled receivable reserves and write-offs have not been significant.

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist primarily of prepaid expenses for insurance, conferences, deposits for facilities, programs, software and promotion items.

Furniture, Fixtures and Equipment, net

Furniture, fixtures and equipment are recorded at cost. Depreciation is computed by applying the straight-line method over the estimated useful life of the assets, which ranges from two to five years. Leasehold improvements are depreciated over the lesser of the useful life of the underlying asset or the lease term, which generally ranges from two to five years. Repairs and maintenance are charged to expense as incurred. The cost and accumulated depreciation of assets sold or otherwise disposed of are removed from the accounts and any associated gain or loss thereon is reflected in the accompanying consolidated statement of comprehensive income.

The Company capitalizes internal-use software and website development costs and records these amounts within Furniture, Fixtures and Equipment, net. Accounting standards require that certain costs related to the development or purchase of internal-use software and systems as well as the costs incurred in the application development stage related to its website be capitalized and amortized over the estimated useful life of the software or system. They also require that costs related to the preliminary project stage, data conversion and post implementation/operation stage of an internal-use software development project be expensed as incurred.

During the years ended December 31, 2022 and 2021, the Company capitalized \$1.7 million and \$0.8 million, respectively, of costs associated with system and website development.

Goodwill

Our goodwill represents the excess of the cost of businesses acquired over the fair value of the net assets acquired at the date of acquisition. Goodwill is not amortized but rather tested for impairment at least annually in accordance with accounting and disclosure requirements for goodwill and other indefinite-lived intangible assets. This test is performed by us during our fourth fiscal quarter or more frequently if we believe impairment indicators are present.

A qualitative assessment is performed to determine whether the existence of events or circumstances leads to a determination that it is more likely than not the fair value of the reporting unit is less than its carrying amount. If, based on the evaluation, it is determined to be more likely than not that the fair value is less than the carrying value then goodwill is tested further for impairment. If the fair value of goodwill is lower than its carrying amount, an impairment loss is recognized in an amount equal to the difference. Subsequent increases in value are not recognized in the financial statements.

There was no impairment of goodwill during the years ended December 31, 2022 and 2021, nor were any indicators identified in 2022 or 2021 that would suggest that it is more likely than not that the Company's reporting unit is impaired.

Long-Lived Assets

Long-lived assets, excluding goodwill and indefinite-lived intangibles, to be held and used by the Company are reviewed to determine whether any significant change in the long-lived asset's physical condition, a change in industry conditions or a reduction in cash flows associated with the asset group that contains the long-lived asset. If these or other factors indicate the carrying amount of the asset group, which is the lowest level for which identifiable cash flows exist that are separately identifiable from other cash flows, may not be recoverable, the Company determines whether impairment has occurred through the use of an undiscounted cash flow analysis. If impairment

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

has occurred, the Company recognizes a loss for the difference between the carrying amount and the fair value of the asset group. The fair value of the asset group is measured using market prices or, in the absence of market prices, an estimate of discounted cash flows. Cash flows are generally discounted at an interest rate commensurate with our weighted average cost of capital. Assets are classified as held for sale when the Company has a plan for disposal of certain assets and those assets meet the held for sale criteria.

Debt Issuance Costs

Costs directly incurred in obtaining long-term financing, typically bank and attorney fees, are deferred and are amortized over the life of the related loan. Deferred issuance costs are classified as a direct deduction to the long-term debt in the accompanying consolidated balance sheet. Amortization of debt issuance costs is included in interest expense and totaled \$0.3 million and \$0.4 million for the years ended December 31, 2022 and 2021, respectively.

Revenue Recognition

We recognize our revenues by applying the following five steps: (1) identifying the contract with the customer; (2) identifying the performance obligation(s) in the contract; (3) determining the transaction price; (4) allocating the transaction price to the performance obligation(s); and (5) recognizing revenue when (or as) the Company satisfies the performance obligation(s).

We principally derive revenues from fees for services generated on a project-by-project basis. Prior to the commencement of a project, we reach agreement with the client on rates for services based upon the scope of the project, staffing requirements and the level of client involvement. It is our policy to obtain written agreements from clients prior to performing services or when evidence of enforceable rights and obligations is obtained. In these agreements, the clients acknowledge that they will pay based upon the amount of time spent on the project or an agreed upon fee structure.

Revenues for time and materials contracts, which may include capped fees or “not-to-exceed” clauses, are recognized based on the number of hours worked by our advisors at an agreed upon rate per hour and are recognized in the period in which services are performed. Revenues for time and materials contracts are billed monthly, semimonthly or in accordance with the specific contractual terms of each project. For contracts with capped fees or not-to-exceed clauses, we monitor our performance and fees billed to ensure that revenue is not recognized in excess of the contractually capped fee.

Revenues related to fixed-fee contracts are recognized as value is delivered to the customer, consistent with the transfer of control to the customer over time. Revenue for these contracts is recognized proportionally over the term of the contract using an input method based on the proportion of labor hours incurred as compared to the total estimated labor hours for the fixed-fee contract performance obligations, which we consider the best available indicator of the pattern and timing in which contract performance obligations are fulfilled and control transfers to the customer. This percentage is multiplied by the contracted dollar amount of the project to determine the amount of revenue to recognize in an accounting period. The contracted amount used in this calculation typically excludes the amount the client pays for reimbursable expenses. There are situations where the number of hours to complete projects may exceed our original estimate as a result of an increase in project scope or unforeseen events. The results of any revisions in these estimates are reflected in the period in which they become known.

For managed service implementation contracts, revenue is recognized over time as a percentage of hours incurred to date as compared to the total expected hours of the implementation, consistent with the transfer of control to the customer. For ongoing managed services contract, revenue is recognized over time, consistent with the weekly or monthly fee specified within such arrangements.

We also derive revenues based on negotiating reductions in network and software costs of companies with the entity’s related service providers and providing other services such as audits of network and communication expenses and consultation for network architecture. These contracts can be fixed in fees or can be based on the level of savings achieved related to its communications costs. Additionally, these contracts can also have a fixed component and a contingent component that is based on the savings generated by the Company. For network and software contingency contracts with termination for convenience clauses, revenue is recognized over time due to the existence of provisions for payment for progress incurred to date plus a reasonable profit margin. The contract periods range from a few months to in excess of a year.

We also enter into arrangements for the sale of automation software licenses and related delivery of consulting or implementation services at the same time or within close proximity to one another. Such software-related performance obligations include the sale of on-

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

premise software, hybrid and software-as-a-service licenses, as well as other software-related services. Revenue associated with the software performance obligation is primarily recognized at the point at which the software is installed or access is granted.

Revenue associated with events is recognized at the point of time at which the event occurs and is primarily comprised of sponsorships. Conversely, revenue associated with research subscriptions is recognized over time, as the customer accesses our data or related platforms. In addition, we sell research products for which the revenue is recognized at a point in time upon delivery to the client.

The agreements entered into in connection with a project typically allow our clients to terminate early due to breach or for convenience with 30 days' notice. In the event of termination, the client is contractually required to pay for all time, materials and expenses incurred by us through the effective date of the termination. In addition, from time to time, we enter into agreements with clients that limit our right to enter into business relationships with specific competitors of that client for a specific time period. These provisions typically prohibit us from performing a defined range of services that we might otherwise be willing to perform for potential clients. These provisions are generally limited to six to twelve months and usually apply only to specific employees or the specific project team.

When we recognize revenues in advance of billing, those revenues are recorded as contract assets. When we invoice in advance of completing services or earning revenues, those amounts are recorded as contract liabilities.

Reimbursable Expenditures

Amounts billed to customers for reimbursable expenditures are included in revenues and the associated costs incurred by the Company are included in direct costs and expenses for advisors in the accompanying consolidated statement of comprehensive income. Non-reimbursable amounts are expensed as incurred. Reimbursable expenditures totaled \$0.8 million and \$0.3 million for the years ended December 31, 2022 and 2021, respectively. The increase was attributable to pandemic-related travel restrictions being lifted in 2022.

Direct Costs and Expenses for Advisors

Direct costs and expenses for advisors include payroll expenses and advisory fees directly associated with the generation of revenues and other program expenses. Direct costs and expenses for advisors are expensed as incurred.

Direct costs and expenses for advisors also include expense accruals for discretionary bonus payments. Bonus accrual levels are adjusted throughout the year based on actual and projected Company performance.

Stock-Based Compensation

We grant restricted stock units with a fair value that is determined based on the closing price of our common stock on the date of grant. Such grants generally vest ratably over a two-to-four-year period for employees and a three-year period for directors. Stock-based compensation expense is recognized ratably over the applicable service period.

We follow the provisions of accounting and disclosure requirements for share-based payments, including the measurement and recognition of all share-based compensation under the fair value method.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash and accounts receivable. The Company places its cash investments with high-quality financial institutions. The Company extends credit to its customers based upon an evaluation of the customer's financial condition and credit history and generally does not require collateral.

Treasury Stock

The Company makes treasury stock purchases in the open market pursuant to the share repurchase program, which was most recently approved by the Board of Directors on August 5, 2021.

Treasury stock is recorded on the consolidated balance sheet at cost as a reduction of stockholders' equity. Shares are released from Treasury at original cost on a first-in, first-out basis, with any gain or loss on the sale reflected as an adjustment to additional paid-in capital.

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

Foreign Currency Translation

The assets and liabilities of the Company's foreign subsidiaries are translated into U.S. dollars at exchange rates in effect at the end of the reporting period. Revenue and expense items are translated at average exchange rates for the reporting period. Resulting translation adjustments are included in the accompanying statement of comprehensive income and accompanying statement of stockholders' equity as a component of *Accumulated Other Comprehensive Loss*.

The functional currency of the Company and its subsidiaries is the respective local currency. The Company has contracts denominated in foreign currencies, and therefore a portion of the Company's revenues are subject to foreign currency risks. Transactional currency gains and losses that arise from transactions denominated in currencies other than the functional currencies of our operations are recorded in *Foreign Currency Translation* in the accompanying consolidated statement of comprehensive income.

Fair Value of Financial Instruments

The carrying value of the Company's cash and cash equivalents, receivables, accounts payable, other current liabilities and accrued interest approximate fair value.

Fair value measurements were applied with respect to our nonfinancial assets and liabilities measured on a nonrecurring basis, which would consist of measurements primarily to goodwill, intangible assets and other long-lived assets and assets acquired and liabilities assumed in a business combination.

Fair value is the price that would be received upon a sale of an asset or paid upon a transfer of a liability in an orderly transaction between market participants at the measurement date (exit price). Market participants can use market data or assumptions in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market-corroborated or generally unobservable. The use of unobservable inputs is intended to allow for fair value determinations in situations where there is little, if any, market activity for the asset or liability at the measurement date. Under the fair-value hierarchy:

- Level 1 measurements include unadjusted quoted market prices for identical assets or liabilities in an active market;
- Level 2 measurements include quoted market prices for identical assets or liabilities in an active market that have been adjusted for items such as effects of restrictions for transferability and those that are not quoted but are observable through corroboration with observable market data, including quoted market prices for similar assets; and
- Level 3 measurements include those that are unobservable and of a highly subjective measure.

During 2022, there were no transfers of our financial assets between Level 1, Level 2 or Level 3 measures. Our financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

The following tables summarize assets and liabilities measured at fair value on a recurring basis at the dates indicated:

	Basis of Fair Value Measurements			
	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Assets:				
Cash equivalents	\$ 18	\$ —	\$ —	\$ 18
Total	\$ 18	\$ —	\$ —	\$ 18
Liabilities:				
Contingent consideration ⁽¹⁾	\$ —	\$ —	\$ 5,593	\$ 5,593
	\$ —	\$ —	\$ 5,593	\$ 5,593
	Basis of Fair Value Measurements			
	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Assets:				
Cash equivalents	\$ 1,018	\$ —	\$ —	\$ 1,018
Total	\$ 1,018	\$ —	\$ —	\$ 1,018
Liabilities:				
Contingent consideration ⁽²⁾	\$ —	\$ —	\$ 2,420	\$ 2,420
	\$ —	\$ —	\$ 2,420	\$ 2,420

(1) The current and noncurrent contingent consideration are included in “Accrued expenses and other current liabilities” and “Other liabilities,” respectively, as of December 31, 2022.

(2) Contingent consideration is included in “Accrued expenses and other current liabilities” as of December 31, 2021.

The fair value measurement of contingent consideration is classified within Level 3 of the fair value hierarchy and reflects the Company’s own assumptions in measuring fair values using the income approach. In developing these estimates, the Company considered certain performance projections, historical results and industry trends. This amount was estimated through a valuation model that incorporated probability-weighted assumptions related to the achievement of these milestones and the likelihood of the Company making payments. These cash outflow projections have then been discounted using a rate of 2.5% and 2.0% for December 31, 2022, and 2021, respectively.

The following table represents the change in the contingent consideration liability during the years ended December 31, 2022 and 2021:

	December 31,	
	2022	2021
Beginning Balance	\$ 2,420	\$ 5,319
Neuralify earnout adjustment ⁽¹⁾	(1,420)	—
Neuralify earnout payment	(1,000)	(3,000)
Change 4 Growth contingent consideration accrued	5,560	—
Accretion of contingent consideration	33	101
Ending Balance	\$ 5,593	\$ 2,420

⁽¹⁾Neuralify earnout adjustment relates to a change in the achievement of a certain milestone specific to the acquisition.

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

The Company's financial instruments include outstanding borrowings of \$79.2 million as of December 31, 2022 and \$74.5 million as of December 31, 2021, which are carried at amortized cost. The fair value of debt is classified within Level 3 of the fair value hierarchy. The fair value of the Company's outstanding borrowings was approximately \$76.5 million and \$73.6 million at December 31, 2022 and December 31, 2021, respectively. The fair values of debt have been estimated using a discounted cash flow analysis based on the Company's incremental borrowing rate for similar borrowing arrangements. The incremental borrowing rate used to discount future cash flows was 6.3% and 2.0% for December 31, 2022 and 2021, respectively. The Company also considered recent transactions of peer group companies for similar instruments with comparable terms and maturities as well as an analysis of current market conditions and interest rates. As of December 31, 2022 and 2021, there were \$9.0 million and \$0.0 million borrowings, respectively, under the revolver. The Company was in compliance with its financial covenants under the 2020 Credit Agreement as of December 31, 2022.

Income Taxes

We use the asset and liability method to account for income taxes, including recognition of deferred tax assets and liabilities for the anticipated future tax consequences attributable to differences between financial statement amounts and their respective tax basis. We review our deferred tax assets for recovery. A valuation allowance is established when we believe that it is more likely than not that some portion of its deferred tax assets will not be realized. Changes in the valuation allowance from period to period are included in our tax provision in the period of change.

For uncertain tax positions, we use the prescribed model for assessing the financial recognition and measurement of all tax positions taken or expected to be taken in tax returns. This guidance provides clarification on derecognition, classification, interest and penalties, accounting in interim periods, disclosures and transition. Our provision for income taxes also includes the impact of provisions established for uncertain income tax positions, as well as the related interest.

Recently Issued Accounting Pronouncements

In June 2016, the FASB issued new guidance on the measurement of credit losses for financial assets measured at amortized cost, which includes accounts receivable, and available-for-sale debt securities. The new guidance replaces the existing incurred loss impairment model with an expected loss methodology, which will result in more timely recognition of credit losses and additional disclosures. As a smaller reporting company, this guidance is effective for fiscal years beginning after December 15, 2022. The Company does not expect the adoption of this guidance to have a material impact on its financial statements.

NOTE 3—REVENUE

The majority of our revenue is derived from contracts that can span from a few months to several years. We enter into contracts that can include various combinations of services, which, depending on contract type, are sometimes capable of being distinct. If services are determined to be distinct, they are accounted for as separate performance obligations. A performance obligation is a promise in a contract to transfer a distinct good or service to the client and is the unit of account. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The majority of our contracts have a single performance obligation as the promise to transfer the individual services is not separately identifiable from other promises in the contracts and, therefore, is not distinct. For contracts with multiple performance obligations, the Company allocates the transaction price to each performance obligation using our best estimate of the standalone selling price, or SSP, of each distinct product or service in the contract. The Company establishes SSP based on management's estimated selling price or observable prices of products or services sold separately in comparable circumstances to similar clients.

Our contracts may include promises to transfer multiple services and products to a client. Determining whether services and products are considered distinct performance obligations that should be accounted for separately versus together may require judgment.

Contract Balances

The timing of revenue recognition, billings and cash collections result in billed accounts receivables, unbilled receivables (contract assets) and customer advances and deposits (contract liabilities). Our clients are billed based on the type of arrangement. A portion of our services is billed monthly based on hourly or daily rates. There are also client engagements in which we bill a fixed amount for our services. This may be one single amount covering the whole engagement or several amounts for various phases, functions, or milestones. Generally, billing occurs subsequent to revenue recognition, resulting in contract assets. However, we sometimes receive advances or deposits before

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

revenue is recognized, resulting in contract liabilities. Contract assets and liabilities are generally reported in the current assets and current liabilities sections of the consolidated balance sheet, at the end of each reporting period, based on the timing of the satisfaction of the related performance obligation(s). For multi-year software sales with annual invoicing, we perform a significant financing component calculation and recognize the associated interest income throughout the duration of the financing period. In addition, we reclassify the resulting contract asset balances as current and noncurrent receivables as receipt of the consideration is conditional only on the passage of time and there are no performance risk factors present. See the table below for a breakdown of contract assets and contract liabilities.

	December 31, 2022	December 31, 2021
Contract assets	\$ 32,249	\$ 18,639
Contract liabilities	\$ 7,058	\$ 7,049

Revenue recognized for the year ended December 31, 2022 that was included in the contract liability balance at January 1, 2022 was \$6.7 million and represented primarily revenue from our fixed-fee and subscription contracts.

Remaining performance obligations

As of December 31, 2022, the Company had \$130.0 million of remaining performance obligations, the majority of which are expected to be satisfied within the next year.

NOTE 4—ACQUISITION

Agreement Acquisition

On March 28, 2022, ISG executed an asset purchase agreement for the purchase of substantially all of the assets of Agreement, which is an automated, platform-based contracting solution that will enhance the value of ISG GovernX and our other platform solutions now in development. We determined the transaction to be an asset acquisition as substantially all the fair value of the gross assets acquired is concentrated in a single identifiable asset: the software and related intellectual property rights. The cash paid for the acquisition as of the balance sheet date is reflected in Cash flows from investing activities of the Statement of Cash Flows. The related software acquired, which is capitalized within “Furniture, fixtures and equipment, net”, will be depreciated over four years when put into service at the end of the transition period underway to integrate the offering with our ISG GovernX cloud solution.

Change 4 Growth Acquisition

On October 31, 2022, a subsidiary of the Company executed an Asset Purchase Agreement with Change 4 Growth, LLC and consummated the acquisition of substantially all the assets, and assumed certain liabilities, of Change 4 Growth, LLC. The purchase price was comprised of \$3.8 million of cash consideration, \$0.6 million of shares of ISG common stock issued promptly after closing and Change 4 Growth, LLC will also have the right to receive additional consideration paid via earn-out payments, if certain financial targets are met. At the agreement date, the company estimated such earn-out payment would be \$5.6 million.

The following table summarizes the preliminary consideration transferred to acquire Change 4 Growth, LLC and the amounts of identified assets acquired, and liabilities assumed as of the agreement date:

Cash	\$ 3,450
Accrued working capital adjustment	378
ISG common stock	600
Contingent consideration	5,560
Total allocable purchase price	\$ 9,988

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

The amount of recognized identifiable assets acquired and liabilities assumed as of the agreement date:

Accounts receivable and contract assets	\$	1,841
Intangible assets		4,300
Accounts payable and accrued expense		(428)
Contract liabilities		(85)
Net assets acquired	\$	<u>5,628</u>
Goodwill	\$	4,360

The primary factors that drove the goodwill recognized, the majority of which is deductible for tax purposes, were the inclusion of legacy Change 4 Growth workforce and associated organizational change management expertise to enhance and expand the offerings of the ISG Enterprise Change service line.

Costs associated with this acquisition are included in the selling, general and administrative expense in the Consolidated Statement of Income and Comprehensive Income and totaled \$0.2 million during the year ended December 31, 2022. This business combination was accounted for under the acquisition method of accounting, and as such, the aggregate purchase price was allocated on a preliminary basis to the assets acquired and liabilities assumed based on estimated fair values as of the closing date. Based on the valuation and other factors as described above, the purchase price assigned to intangible assets and the amortization period were as follows:

	<u>Purchase Price Allocation</u>	<u>Estimated Useful Lives</u>
Amortizable intangible assets:		
Trademark and trade name	\$ 1,100	3 years
Customer relationships	2,900	8 years
Noncompete agreements	300	2 years
Total intangible assets	<u>\$ 4,300</u>	

The Consolidated Statement of Income and Comprehensive Income includes revenue from the Change 4 Growth acquisition subsequent to the closing. Had the acquisition occurred as of January 1, 2022, approximately \$7.0 million of revenue would have been recognized.

NOTE 5—NET INCOME PER COMMON SHARE

Basic earnings per share is computed by dividing net income available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that would share in the net income of the Company.

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

The following tables set forth the computation of basic and diluted earnings per share:

	Year Ended December 31,	
	2022	2021
Basic:		
Net income	\$ 19,726	\$ 15,529
Weighted average common shares	48,175	48,638
Earnings per share	\$ 0.41	\$ 0.32
Diluted:		
Net income	\$ 19,726	\$ 15,529
Basic weighted average common shares	48,175	48,638
Potential common shares	2,245	3,118
Diluted weighted average common shares	50,420	51,756
Diluted earnings per share	\$ 0.39	\$ 0.30

NOTE 6—ACCOUNTS RECEIVABLE AND CONTRACT ASSETS

Accounts receivable and contract assets, net of allowance, consisted of the following:

	Years Ended December 31,	
	2022	2021
Accounts receivable	\$ 47,611	\$ 45,531
Contract assets	32,249	18,639
Receivables from related parties	310	174
	\$ 80,170	\$ 64,344

NOTE 7—FURNITURE, FIXTURES AND EQUIPMENT

Furniture, fixtures and equipment consisted of the following:

	Estimated Useful Lives	Years Ended December 31,	
		2022	2021
Computer hardware, software and other office equipment	2 to 5 years	\$ 3,343	\$ 6,104
Furniture, fixtures and leasehold improvements	2 to 5 years	3,235	4,765
Software and development costs	3 to 5 years	10,870	9,173
Accumulated depreciation		(11,519)	(14,749)
		\$ 5,929	\$ 5,293

Depreciation expense was \$3.0 million and \$2.7 million for both years ended December 31, 2022 and 2021, respectively.

NOTE 8—LEASES

The Company recognizes lease payments in the consolidated statements of income on a straight-line basis over the lease term. As most of the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of the lease payments.

The Company leases its office space and office equipment under long-term operating lease agreements which expire at various dates through March 2027, some of which include options to extend the leases for up to 3 years, and some of which included options to terminate the leases within 1 year. Under the operating leases, the Company pays certain operating expenses relating to the office equipment and leased property.

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

The components of lease expense were as follows:

	Years Ended December 31,	
	2022	2021
Lease cost		
Operating lease cost	\$ 2,128	\$ 2,170
Finance lease cost:		
Amortization of right-of-use assets	375	253
Interest on lease liabilities	40	9
Short-term lease cost	44	42
Variable lease cost	225	110
Sublease income	(187)	(250)
Total lease cost	<u>\$ 2,625</u>	<u>\$ 2,334</u>

Supplemental cash flow information related to leases was as follows

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flows from finance leases	\$ 40	\$ 9
Operating cash flows from operating leases	\$ 2,594	\$ 2,720
Financing cash flows from finance leases	\$ 381	\$ 253

Supplemental balance sheet information related to leases was as follows:

(In thousands, except lease term and discount rate)

	Years Ended December 31,	
	2022	2021
Operating leases		
Operating lease right-of-use assets	<u>\$ 6,780</u>	<u>\$ 5,293</u>
Current operating lease liabilities ⁽¹⁾	\$ 2,399	2,520
Non-current operating lease liabilities	4,857	3,481
Total operating lease liabilities	<u>\$ 7,256</u>	<u>\$ 6,001</u>
Finance leases		
Finance lease right-of-use assets ⁽²⁾	<u>\$ 110</u>	<u>\$ 451</u>
Current finance lease liabilities ⁽¹⁾	\$ 65	395
Non-current finance lease liabilities	46	61
Total finance lease liabilities	<u>\$ 111</u>	<u>\$ 456</u>
Weighted average remaining lease term (in years)		
Operating leases	3.8	3.3
Finance leases	2.0	1.3
Weighted average discount rate		
Operating leases	7.9%	6.0%
Finance leases	5.4%	2.9%

(1) Current lease liabilities are included in "Accrued expenses and other current liabilities."

(2) Finance lease right-of-assets are included in "Furniture, fixtures and equipment, net"

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

Maturities of lease liabilities were as follows:

Year Ending December 31,	Operating Leases	Finance Leases
2023	\$ 2,492	\$ 66
2024	2,200	34
2025	1,953	16
2026	1,282	—
2027	351	—
Thereafter	213	—
Total lease payments	8,491	116
Less imputed interest	(1,235)	(5)
Total	\$ 7,256	\$ 111

NOTE 9—INTANGIBLE ASSETS

The carrying amount of intangible assets, net of accumulated amortization and impairment charges, as of December 31, 2022 and 2021 consisted of the following:

			2022				
Estimated Useful Lives			Gross Carrying Amount	Acquisitions	Accumulated Amortization	Currency impact	Net Book Value
Amortizable intangibles:							
Customer relationships	2 to 15	years	\$ 75,283	\$ 2,900	\$ (70,273)	\$ (115)	\$ 7,795
Noncompete agreements	4 to 7	years	5,962	300	(5,987)	—	275
Software	3 to 4	years	1,660	—	(1,557)	—	103
Backlog	1 to 2	years	5,002	—	(4,981)	(21)	—
Databases	4 to 15	years	13,218	—	(7,905)	(183)	5,130
Trademark and trade names	3 to 5	years	1,490	1,100	(1,513)	—	1,077
Intangibles			\$ 102,615	\$ 4,300	\$ (92,216)	\$ (319)	\$ 14,380

			2021				
Estimated Useful Lives			Gross Carrying Amount	Acquisitions	Accumulated Amortization	Currency impact	Net Book Value
Amortizable intangibles:							
Customer relationships	2 to 15	years	\$ 75,283	\$ —	\$ (68,677)	\$ (111)	\$ 6,495
Noncompete agreements	4 to 7	years	5,962	—	(5,960)	—	2
Software	3 to 4	years	1,660	—	(1,534)	—	126
Backlog	1 to 2	years	5,002	—	(4,981)	(21)	—
Databases	4 to 15	years	13,218	—	(7,371)	(180)	5,667
Trademark and trade names	3 to 5	years	1,490	—	(1,370)	—	120
Intangibles			\$ 102,615	\$ —	\$ (89,893)	\$ (312)	\$ 12,410

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

Amortization expense was \$2.3 million and \$2.6 million for the years ended December 31, 2022 and 2021, respectively. The estimated future amortization expense subsequent to December 31, 2022 is as follows:

2023	\$	3,126
2024		2,550
2025		2,052
2026		1,533
2027		1,344
Thereafter		3,775
	\$	14,380

NOTE 10—GOODWILL

The changes in the carrying amount of goodwill for the years ended December 31, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Balance as of January 1		
Goodwill	\$ 91,130	\$ 91,130
Foreign currency impact	(340)	(122)
Balance as of January 1	90,790	91,008
Change 4 Growth acquisition	4,360	—
Foreign currency impact and adjustments	(178)	(218)
	4,182	(218)
Balance as of December 31		
Goodwill	95,490	91,130
Foreign currency impact and adjustments	(518)	(340)
Balance as of December 31	<u>\$ 94,972</u>	<u>\$ 90,790</u>

NOTE 11—ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

The components of accrued liabilities for the years ended December 31, 2022 and 2021 are as follows:

	<u>December 31,</u>	
	<u>2022</u>	<u>2021</u>
Accrued payroll, incentive, and vacation	\$ 7,107	\$ 7,054
Accrued corporate and payroll related taxes	1,762	7,931
Contingent consideration—current	1,460	2,420
Current operating lease liability	2,399	2,520
Accrued license expense	2,582	1,445
Other	8,598	7,957
	<u>\$ 23,908</u>	<u>\$ 29,327</u>

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

NOTE 12—FINANCING ARRANGEMENTS AND LONG-TERM DEBT

Long-term debt consists of the following:

	December 31,	
	2022	2021
Senior secured credit facility	\$ 70,175	\$ 74,475
Revolver borrowings	9,000	—
Debt issuance costs	(459)	(685)
	78,716	73,790
Less current installments on long term debt	4,300	4,300
Long-term debt	\$ 74,416	\$ 69,490

Aggregate annual maturities of debt obligations by calendar year are as follows:

	Debt
2023	\$ 4,300
2024	4,300
2025	70,575
	\$ 79,175

On March 10, 2020, the Company amended and restated its senior secured credit facility to include an \$86.0 million term facility and to increase the revolving commitments per the revolving facility (the “2020 Credit Agreement”) from \$30.0 million to \$54.0 million. The material terms under the 2020 Credit Agreement are as follows:

- Each of the term loan facility and revolving credit facility has a maturity date of March 10, 2025 (the “Maturity Date”).
- The credit facility is secured by all of the equity interests owned by the Company, and its direct and indirect domestic subsidiaries and, subject to agreed exceptions, the Company’s direct and indirect “first-tier” foreign subsidiaries and a perfected first priority security interest in all of the Company’s and its direct and indirect domestic subsidiaries’ tangible and intangible assets.
- The Company’s direct and indirect existing and future wholly owned domestic subsidiaries serve as guarantors to the Company’s obligations under the senior secured facility.
- At the Company’s option, the credit facility bears interest at a rate per annum equal to either (i) the “Base Rate” (which is the highest of (a) the rate publicly announced from time to time by the administrative agent as its “prime rate”, (b) the Federal Funds Rate plus 0.5% per annum and (c) the Eurodollar Rate, plus 1.0%), plus the applicable margin or (ii) Eurodollar Rate (adjusted for maximum reserves) as determined by the Administrative Agent (as defined in the 2020 Credit Agreement), plus the applicable margin. The applicable margin is adjusted quarterly based upon the Company’s quarterly leverage ratio.
- The term loan is repayable in nineteen consecutive quarterly installments of \$1,075,000 that commenced on June 30, 2020 and a final payment of the outstanding principal amount of the term loan on the Maturity Date.
- Mandatory repayments of term loans shall be required from (subject to agreed exceptions) (i) 100% of the proceeds from asset sales by the Company and its subsidiaries, (ii) 100% of the net proceeds from issuances of debt and equity by the Company and its subsidiaries and (iii) 100% of the net proceeds from insurance recovery and condemnation events of the Company and its subsidiaries.
- The senior secured credit facility contains a number of covenants that, among other things, place restrictions on matters customarily restricted in senior secured credit facilities, including restrictions on indebtedness (including guarantee obligations), liens, fundamental changes, sales or disposition of property or assets, investments (including loans, advances, guarantees and acquisitions), transactions with affiliates, dividends and other payments in respect of capital stock, optional payments and modifications of other material debt instruments, negative pledges and agreements restricting subsidiary

INFORMATION SERVICES GROUP, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)****(tabular amounts in thousands, except per share data)**

distributions and changes in line of business. In addition, the Company is required to comply with a total leverage ratio and fixed charge coverage ratio.

- The senior secured credit facility contains customary events of default, including cross-default to other material agreements, judgment default and change of control.

The Company's financial statements include outstanding borrowings of \$79.2 million and \$74.5 million as of December 31, 2022 and December 31, 2021, respectively, which are carried at amortized cost. The fair value of debt is classified within Level 3 of the fair value hierarchy. The fair value of the Company's outstanding borrowings was approximately \$76.5 million and \$73.6 million at December 31, 2022 and December 31, 2021, respectively. The fair values of debt have been estimated using a discounted cash flow analysis based on the Company's incremental borrowing rate for similar borrowing arrangements. The incremental borrowing rate used to discount future cash flows was 6.3% and 2.0% as of December 31, 2022 and December 31, 2021, respectively. The Company also considered recent transactions of peer group companies for similar instruments with comparable terms and maturities as well as an analysis of current market conditions and interest rates. As of December 31, 2022 and December 31, 2021 there were \$9.0 million and \$0.0 million borrowings, respectively, under the revolver. The Company was in compliance with its financial covenants under the 2020 Credit Agreement as of December 31, 2022.

Refer to Note 18 – Subsequent Event for additional information regarding the Company's 2020 Credit Agreement.

NOTE 13—COMMITMENTS AND CONTINGENCIES

The Company is subject to contingencies which arise through the ordinary course of business. All material liabilities of which management is aware are properly reflected in the financial statements at December 31, 2022 and 2021.

Change 4 Growth Contingent Consideration

As of December 31, 2022, the Company has recorded a liability of \$5.6 million representing the estimated fair value of contingent consideration related to the acquisition of Change 4 Growth, of which \$1.5 million was classified as current and included in accrued expenses on the consolidated balance sheet.

NOTE 14—RELATED PARTY TRANSACTIONS

From time to time, the Company may have receivables and payables with employees and shareholders. The Company had outstanding receivables from related parties, including shareholders, totaling \$0.3 million and \$0.2 million as of December 31, 2022 and 2021, respectively, and no outstanding payables. These transactions related to personal withholding taxes paid on behalf of expatriate employees.

NOTE 15—INCOME TAXES

The components of income before income taxes for the years ended December 31, 2022 and 2021 consist of the following:

	Years Ended December 31,	
	2022	2021
Domestic	\$ 17,281	\$ 9,984
Foreign	9,401	13,127
Total income before income taxes	\$ 26,682	\$ 23,111

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

The components of the 2022 and 2021 income tax provision are as follows:

	Years Ended December 31,	
	2022	2021
Current:		
Federal	\$ 3,840	\$ 2,194
State	929	617
Foreign	2,720	4,830
Total current provision	7,489	7,641
Deferred:		
Federal	(226)	(786)
State	113	38
Foreign	(420)	689
Total deferred (benefit) expense	(533)	(59)
Total	\$ 6,956	\$ 7,582

The differences between the effective tax rates reflected in the total provision for income taxes and the U.S. federal statutory rate of 21% for both years ended December 31, 2022 and 2021 were as follows:

	Years Ended December 31,	
	2022	2021
Tax provision computed at 21%	\$ 5,603	\$ 4,853
Nondeductible expenses	149	91
State income taxes, net of federal benefit	875	624
Tax impact of foreign operations	238	2,045
Valuation allowances increase (release)	(44)	52
Net decrease of uncertain tax positions	—	(31)
Other	135	(52)
Income tax provision	\$ 6,956	\$ 7,582
Effective income tax rates	26.1 %	32.8 %

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities were as follows:

	December 31,	
	2022	2021
Noncurrent deferred tax asset		
Compensation related expenses	\$ 1,748	\$ 1,242
Foreign currency translation	3,281	2,422
U.S. foreign tax credit carryovers	2,527	1,903
Foreign net operating loss carryovers	2,129	2,208
Accruals and reserves	557	990
Operating lease right-of-use assets	2,080	1,651
Other	316	466
Valuation allowance for deferred tax assets	(3,704)	(3,315)
Total noncurrent deferred tax asset	<u>8,934</u>	<u>7,567</u>
Noncurrent deferred tax liability		
Depreciable assets	(367)	(468)
Prepays	(137)	(392)
Intangible assets	(1,235)	(787)
Investment in foreign subsidiaries	(2,370)	(2,157)
Foreign earnings distribution taxes	(1,224)	(1,038)
Foreign intangibles and reserves	(1,211)	(1,884)
Operating lease liabilities	(1,963)	(1,468)
Total noncurrent deferred tax liability	<u>(8,507)</u>	<u>(8,194)</u>
Net noncurrent deferred tax assets/(liability)	427	(627)
Net deferred tax assets/(liability)	<u>\$ 427</u>	<u>\$ (627)</u>

A valuation allowance was established at December 31, 2022 and 2021 due to estimates of future utilization of net operating loss carryovers in the U.S. and certain foreign jurisdictions, derived primarily from acquisitions and recorded through purchase accounting. The valuation allowance at December 31, 2022 and 2021 also includes a full valuation for the Company's foreign tax credit carryovers and foreign taxes on its controlled foreign corporations.

As of December 31, 2022, the Company had foreign net operating loss (NOL) carryforwards of approximately \$10.3 million. If not utilized, these NOL carryforwards begin to expire in 2023. The Company also has a federal tax credit carryforward of approximately \$2.5 million, which will begin to expire in 2026, if not utilized.

Uncertain tax positions

Benefits from tax positions should be recognized in the financial statements only when it is more likely than not that the tax position will be sustained upon examination by the appropriate taxing authority that would have full knowledge of all relevant information. A tax position that meets the more likely than not recognition threshold is measured at the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. Tax positions that previously failed to meet the more likely than not recognition threshold should be recognized in the first subsequent financial reporting period in which that threshold is met. Previously recognized tax positions that no longer meet the more likely than not recognition threshold should be derecognized in the first subsequent financial reporting period in which that threshold is no longer met. It is the Company's policy to accrue for interest and penalties related to its uncertain tax positions within income tax expense.

INFORMATION SERVICES GROUP, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)****(tabular amounts in thousands, except per share data)**

A tabular reconciliation of the total amounts of unrecognized tax benefits at the beginning and end of the period is as follows:

	December 31,	
	2022	2021
Balance, beginning of year	\$ 1,639	\$ 1,569
Additions as a result of tax positions taken during the current period	76	101
Reductions as a result of tax positions taken during a prior period	—	(31)
Balance, end of year	\$ 1,715	\$ 1,639

We do not expect our unrecognized tax benefits to significantly change in the next twelve months.

The Company has recognized through income tax expense approximately \$1.0 million of interest and penalties related to uncertain tax positions. The amount of unrecognized tax benefit, if recognized, that would impact the effective tax rate is \$1.7 million. With few exceptions, the Company is no longer subject to U.S. federal, state, local or non-U.S. income tax examinations by tax authorities for years before 2015.

NOTE 16—STOCK-BASED COMPENSATION PLANS

The Amended and Restated 2007 Equity and Incentive Award Plan (“Incentive Plan”) and Amended and Restated 2007 Employee Stock Purchase Plan (“ESPP”) were approved by the Company’s stockholders at our 2014 annual meeting with a subsequent amendment to the Incentive Plan approved by the Company’s stockholders at our 2017 annual meeting as discussed below. Subject to the terms of the Incentive Plan, the Incentive Plan authorizes the grant of awards, which awards may be made in the form of (i) nonqualified stock options; (ii) stock options intended to qualify as incentive stock options under Section 422 of the Internal Revenue Code (stock options described in clause (i) and (ii), “options”); (iii) stock appreciation rights (“SARs”); (iv) restricted stock and/or restricted stock units; (v) other stock based awards; (vi) performance-based awards, which are equity awards or incentive awards intended to qualify for full tax deductibility by the company under Code Section 162 (m); and (vii) incentive awards, a cash-denominated award earnable by achievement of performance goals. The issuance of shares or the payment of cash upon the exercise of an award or in consideration of the cancellation or termination of an award shall reduce the total number of shares available under the Incentive Plan, as applicable. The provisions of each award will vary based on the type of award granted and will be specified by the Compensation Committee of the Board of Directors. Those awards which are based on a specific contractual term will be granted with a term not to exceed ten years. The SARs granted under the Incentive Plan are granted with an exercise price equal to the fair market value of the Common Shares at the time the SARs are granted.

At the 2020 Annual Meeting, our stockholders approved an amendment to the Incentive Plan to increase the number of shares of common stock available for issuance under the Incentive Plan by 5,500,000 shares (the “Incentive Plan Amendment”). As of December 31, 2022, there were 3,085,373 and 847,124 shares available for grant under the Incentive Plan and ESPP, respectively.

The Company recognized \$7.5 million and \$6.5 million in employee stock-based compensation expense during the years ended December 31, 2022 and 2021, respectively. This expense was recorded in selling, general and administrative in the consolidated statement of comprehensive income.

Restricted Share Awards/Units

The Incentive Plan provides for the granting of restricted share units (“RSU”), the vesting of which is subject to conditions and limitations established at the time of the grant. Recipients of RSU awards will not have the rights of a shareholder of the Company until such date as the Common Shares are issued or transferred to the recipient. If the employee retires (at the normal retirement age stated in the applicable retirement plan or applicable law, if there is a mandatory retirement age), the restricted shares continue to vest on the same schedule as if the employee remained employed with the Company. Upon a termination of employment due to an employee’s death or permanent disability, the restricted shares become 100% vested. Dividends accrue and will be paid if and when the restricted shares vest.

The Company also granted RSUs to specific employees which have the following characteristics:

- *Performance-Based RSU Vesting (Stock Price)*: Provided the employee continues to be employed through specific date set forth in the award, the RSUs will vest on such date if specific financial performance is met, otherwise the RSUs will be forfeited.

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

- *Time-Based RSU Vesting:* So long as the employee continues to be employed through the anniversary of the grant date, the RSUs will become 100% vested on such date.

If an employee's employment is terminated (i) at any time during the vesting period due to the employee's death, disability or retirement prior to the applicable vesting date or (ii) so long as the employee continues to be employed through the vesting dates detailed in the award agreement, the RSUs will become vested according to the agreement. However, no shares will be distributed until the applicable pro rata vesting date (and, in the case of the Performance-Based RSUs, only if and to the extent that the performance target is achieved). In all other terminations occurring prior to the applicable vesting date, the RSUs will expire. Pursuant to the terms of the Incentive Plan, in the event of a change in control, the Compensation Committee of the Board of Directors may accelerate vesting of the outstanding awards of RSUs then held by participants. All RSUs will be payable in shares of the Company's common stock immediately upon vesting. As part of the Incentive Plan Amendment, dividends/dividend equivalents may be paid or credited on other stock-based awards (such as restricted stock units), but those dividends/dividend equivalents must be subject to the same vesting (or more stringent vesting) applicable to the underlying awards.

The fair value of RSUs is determined based on the closing price of the Company's shares on the grant date. The total fair value is amortized to expense on a straight-line basis over the vesting period.

A summary of the status of the Company's RSUs issued under its Incentive Plan as of December 31, 2022 and changes during the years then ended, is presented below:

	RSU		Weighted-Average Grant Date Fair Value
Non-vested at December 31, 2020	6,866	\$	2.31
Granted	1,112	\$	6.07
Vested	(3,680)	\$	2.46
Forfeited	(278)	\$	2.51
Non-vested at December 31, 2021	4,020	\$	3.20
Granted	1,527	\$	6.57
Vested	(1,610)	\$	2.88
Forfeited	(117)	\$	3.37
Non-vested at December 31, 2022	3,820	\$	4.68

The total fair value of RSUs vested during the years ended December 31, 2022 and 2021 was \$4.7 million and \$9.0 million, respectively. As of December 31, 2022, there was \$10.3 million of unrecognized compensation cost related to RSUs, which is expected to be recognized over a weighted-average period of 2.1 years. There were 3.9 million shares available for issuance at December 31, 2022 under the Incentive Plan.

Employee Stock Purchase Plan

The Company uses the Black-Scholes option pricing model to estimate the fair value of shares expected to be issued under the Company's employee stock purchase plan. The ESPP provides that a total of 3.6 million shares of Common Stock are reserved for issuance under the plan. The ESPP, which is intended to qualify as an "employee stock purchase plan" under Section 423 of the Internal Revenue Code, is implemented utilizing three-month offerings with purchases occurring at three-month intervals. The ESPP administration is overseen by the Compensation Committee of the Company's Board of Directors. Employees are eligible to participate if they are employed by the Company for at least 20 hours per week and more than five months in a calendar year. The ESPP permits eligible employees to purchase Common Stock through payroll deductions, ranging from one to ten percent of their eligible earnings subject to IRS regulated cap of \$25,000. The price of Common Stock purchased under the ESPP is 90% of the fair market value of the Common Stock on the applicable purchase date. Employees may end their participation in an offering at any time during the offering period, and participation ends automatically upon termination of employment. The Compensation Committee may at any time amend or terminate the ESPP, except that no such amendment or termination may adversely affect shares previously granted under the ESPP. The Company may issue new shares for the ESPP using treasury shares or newly issued shares.

INFORMATION SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(tabular amounts in thousands, except per share data)

For the year ended December 31, 2022, the Company issued 191,389 shares for the ESPP. There were 847,124 shares available for purchase at December 31, 2022 under the ESPP.

NOTE 17—SEGMENT AND GEOGRAPHICAL INFORMATION

The Company operates in one segment, fact-based sourcing advisory services. The Company operates principally in the Americas, Europe and Asia Pacific. The Company’s foreign operations are subject to local government regulations and to the economic and political uncertainties of those areas.

Geographical information for the segment is as follows:

	Year Ended December 31,	
	2022	2021
Revenues		
Americas ⁽¹⁾	\$ 166,661	\$ 160,181
Europe ⁽²⁾	89,908	90,256
Asia Pacific ⁽³⁾	29,698	27,395
	<u>\$ 286,267</u>	<u>\$ 277,832</u>
Fixed assets		
Americas	\$ 3,225	\$ 2,598
Europe	1,685	2,119
Asia Pacific	1,019	576
	<u>\$ 5,929</u>	<u>\$ 5,293</u>

(1) Substantially all relates to operations in the United States.

(2) Includes revenues from operations in Germany of \$44.2 million and \$50.0 million in 2022 and 2021, respectively. Includes revenues from operations in the United Kingdom of \$18.6 million and \$15.2 million in 2022 and 2021, respectively.

(3) Includes revenues from operations in Australia of \$22.9 million and \$23.1 million in 2022 and 2021, respectively.

The segregation of revenues by geographic region is based upon the location of the legal entity performing the services. The Company does not measure or monitor gross profit or operating income by geography or any other measure or metric, other than consolidated, for the purposes of making operating decisions or allocating resources.

NOTE 18—SUBSEQUENT EVENT

On February 22, 2023, the Company amended the credit agreement the firm originally entered on March 10, 2020. The amended agreement includes the conversion of the term loan to a \$140.0 million all-revolver credit facility at more favorable terms, which eliminates mandatory principal payments and extends the agreement’s maturity to February 2028.

EXHIBIT INDEX

Exhibit Number	Description
2.1	<u>Purchase Agreement, dated as of April 24, 2007, as amended, by and between Registrant and MCP-TPI Holdings, LLC (previously filed as Annex A to the Registrant's Definitive Proxy Statement filed with the SEC on October 17, 2007 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
2.2	<u>Agreement for the Sale and Purchase of the Entire Issued Share Capital of CCGH Limited, dated as of January 4, 2011, between Registrant and the persons named therein (previously filed as Exhibit 2.1 to the Registrant's Form 8-K filed with the SEC on January 4, 2011 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
2.3	<u>Asset Purchase Agreement, dated as of February 10, 2011, among Registrant (for specific section only), and Salvaggio & Teal Ltd. (d/b/a Salvaggio, Teal & Associates), Salvaggio & Teal II, LLC, Mitt Salvaggio, Kirk Teal, Nathan Frey, International Consulting Acquisition Corp., (previously filed as Exhibit 2.1 to the Registrant's Form 8-K filed with the SEC on February 11, 2011 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
2.4	<u>Agreement and Plan of Merger, dated as of December 1, 2016, by and among Alsbridge Holdings, Inc., JSG Information Services Group Americas, Inc., Gala Acquisition Sub, Inc., and LLR Equity Partners III, L.P., as representative of the equity holders (previously filed as Exhibit 2.1 to the Registrant's Form 8-K filed with the SEC on December 2, 2016 (Commission File No. 001-33287), and incorporated herein by reference).</u>
3.1	<u>Amended and Restated Certificate of Incorporation of the Company (previously filed as Exhibit 3.1 to Amendment No. 5 to the Registrant's Registration Statement on Form S-1 filed with the SEC on January 29, 2007 (Commission File Number: 333-136536), and incorporated herein by reference).</u>
3.2	<u>Amended and Restated By-Laws, dated as of May 13, 2013 (previously filed as Exhibit 3.1 to the Registrant's Form 8-K filed with the SEC on May 15, 2013 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
3.3	<u>Amendment to the Amended and Restated By-Laws, dated as of November 8, 2017 (previously filed as Exhibit 3.1 to the Registrant's Form 8 K filed with the SEC on November 13, 2017 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
4.1	<u>Specimen Common Stock Certificate (previously filed as Exhibit 4.2 to Amendment No. 3 to the Registrant's Registration Statement on Form S-1 filed with the SEC on December 22, 2006 (Commission File Number: 333-136536), and incorporated herein by reference).</u>
4.2	<u>Description of the Securities of the Registrant (previously filed as Exhibit 4.2 to the Registrant's Form 10-K filed with the SEC on March 11, 2020 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
10.1	<u>Registration Rights Agreement between the Registrant and the existing Stockholders dated as of February 6, 2007 (previously filed as Exhibit 10.9 to Amendment No. 3 to the Registrant's Registration Statement on Form S-1 filed with the SEC on December 22, 2006 (Commission File Number: 333-136536), and incorporated herein by reference).</u>
10.2#	<u>Form of Indemnification Agreement for Directors and Officers (previously filed as Exhibit 10.1 to the Registrant's Form 8-K filed with the SEC on December 2, 2016 (Commission File No. 001-33287), and incorporated herein by reference).</u>
10.3#	<u>Amended and Restated 2007 Employee Stock Purchase Plan (previously filed as Annex B to the Registrant's Definitive Proxy Statement filed with the SEC on March 20, 2020 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
10.4#	<u>Amended and Restated 2007 Equity and Incentive Award Plan (previously filed as Appendix A to the Registrant's Definitive Proxy Statement filed with the SEC on March 20, 2020 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
10.5*#	<u>Form of Restricted Unit Agreement for Directors (Time Based).</u>
10.6*#	<u>Form of Restricted Unit Agreement for Executives (Time Based).</u>

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Exhibit Number	Description
10.7*#	<u>Form of Restricted Stock Unit Agreement for Executives (Performance Based).</u>
10.8#	<u>Form of Restricted Covenant Agreement, (previously filed as Exhibit 10.3 to the Registrant's Form 8-K filed with the SEC on September 29, 2009 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
10.9#	<u>Change in Control Agreement dated as of January 7, 2011, between the Company and Michael P. Connors (previously filed as Exhibit 10.2 to the Registrant's Form 8-K filed with the SEC on January 7, 2011 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
10.10#	<u>Form of Change in Control Agreement for officers (previously filed as Exhibit 10.15 to the Registrant's Form 10-K filed with the SEC on March 15, 2012 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
10.11#	<u>Employment Agreement for Michael P. Connors, dated December 16, 2011 (previously filed as Exhibit 10.1 to the Registrant's Form 8-K filed with the SEC on December 21, 2011 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
10.12#	<u>Amendment No. 1 to Employment Agreement for Michael P. Connors previously filed as Exhibit 10.21 to the Registrant's Form 10-K filed with the SEC on March 7, 2014 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
10.13	<u>Securities Purchase Agreement, dated as of December 1, 2016, by and between Information Services Group, Inc. and Chevrillon & Associés SCA (previously filed as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed on December 2, 2016 (File No. 001-33287), and incorporated herein by reference).</u>
10.14#	<u>Amendment No. 2 to Employment Agreement for Michael P. Connors (previously filed as Exhibit 10.1 to the Registrant's Form 8-K filed with the SEC on December 16, 2016 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
10.15#	<u>Employment Letter for Thomas Kucinski, dated May 15, 2017 (previously filed as Exhibit 10.1 to the Registrant's Form 8-K filed with the SEC on May 15, 2017 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
10.16#	<u>Amendment No. 3 to Employment Agreement for Michael P. Connors (previously filed as Exhibit 10.1 to the Registrant's Form 8-K filed with the SEC on December 30, 2020 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
10.17#	<u>Employment Letter for Humberto P. Alfonso, dated April 30, 2021 (previously filed as Exhibit 10.1 to the Registrant's Form 8-K filed with the SEC on May 5, 2021 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
10.18	<u>Third Amended and Restated Credit Agreement, dated as of February 22, 2023 among Information Services Group, Inc., various lenders and Bank of America, N.A., as Administrative Agent (previously filed as Exhibit 10.1 to the Registrant's Form 8-K filed with the SEC on February 23, 2023 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
11.0*	<u>Computation of Earnings Per Share (included in Consolidated Statement of Comprehensive Income to the Consolidated Financial Statements included in Part II—Item 8 herein).</u>
14.0	<u>Code of Ethics and Business Conduct for Directors, Officers and Employees (previously filed as Exhibit 14.1 to the Registrant's Form 8-K filed with the SEC on August 7, 2012 (Commission File Number: 001-33287), and incorporated herein by reference).</u>
21.1*	<u>Subsidiaries of the Company.</u>
23.1*	<u>Consent of Independent Registered Public Accounting Firm.</u>

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Exhibit Number	Description
24.1*	<u>Power of Attorney.</u>
31.1*	<u>Certification of Chief Executive Officer Pursuant to SEC Rule 13a-14(a)/15d-14(a).</u>
31.2*	<u>Certification of Chief Financial Officer Pursuant to SEC Rule 13a-14(a)/15d-14(a).</u>
32.1*	<u>Certification of Chief Executive Officer Pursuant to 18 U.S.C. §1350.</u>
32.2*	<u>Certification of Chief Financial Officer Pursuant to 18 U.S.C. §1350.</u>
101*	The following financial statements from ISG's Annual Report on Form 10-K for the year ended December 31, 2022, filed on March 10, 2023, formatted in XBRL (Extensible Business Reporting Language); (i) Consolidated Balance Sheet, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Shareholders' Equity, (iv) Consolidated Statements of Cash Flows and (v) the Notes to Consolidated Financial Statements.
104*	Cover Page formatted in Inline XBRL and contained in Exhibit 101 attachments.

* Filed herewith.

Indicates Item 15(a)(3) exhibit (management contract or compensation plan or arrangement).

SIGNATURES

Pursuant to the requirements of the Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Stamford, in the State of Connecticut on March 10, 2023.

INFORMATION SERVICES GROUP, INC.

By: _____ /s/ MICHAEL P. CONNORS
Michael P. Connors
Chairman and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf and in the capacities and on the dates indicated.

<u>Name</u>	<u>Position</u>	<u>Date</u>
_____/s/ MICHAEL P. CONNORS Michael P. Connors	Chairman and Chief Executive Officer (Principal Executive Officer)	March 10, 2023
_____/s/ HUMBERTO P. ALFONSO Humberto P. Alfonso	Executive Vice President, Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	March 10, 2023
_____*NEIL G. BUDNICK Neil G. Budnick	Director	March 10, 2023
_____*GERALD S. HOBBS Gerald S. Hobbs	Director	March 10, 2023
_____*KALPANA RAINA Kalpana Raina	Director	March 10, 2023
_____*DONALD C. WAITE III Donald C. Waite III	Director	March 10, 2023
_____*CHRISTINE PUTUR Christine Putur	Director	March 10, 2023
_____*BRUCE N. PFAU Bruce N. Pfau	Director	March 10, 2023

*By: _____ /s/ MICHAEL P. CONNORS
Michael P. Connors**

** By authority of the power of attorney filed as Exhibit 24.1 hereto

INFORMATION SERVICES GROUP, INC.
SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS
(in thousands)

<u>Description</u>	<u>Balance at Beginning of Period</u>	<u>Charges to Costs and Expenses</u>	<u>Additions/ (Deductions)</u>	<u>Balance at End of Period</u>
Year ended December 31, 2022				
Allowance for doubtful accounts	\$ 40	(320)	552	\$ 272
Allowance for tax valuation	\$ 3,315	(44)	433	\$ 3,704
Year ended December 31, 2021				
Allowance for doubtful accounts	\$ 368	138	(466)	\$ 40
Allowance for tax valuation	\$ 3,707	52	(444)	\$ 3,315

RESTRICTED STOCK UNIT AWARD AGREEMENT

THIS AGREEMENT (the "Agreement") is made effective as of [•] (the "Grant Date"), between Information Services Group, Inc., a Delaware corporation ("ISG") (hereinafter called the "Company"), and [•], a member of the Board who is not an employee of the Company, hereinafter referred to as the "Grantee". Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan (as defined below).

WHEREAS, the Company desires to grant the Grantee a restricted stock unit award as provided for hereunder (the "Restricted Stock Unit Award"), ultimately payable in shares of common stock of the Company, par value \$0.001 per share (the "Common Stock" or "Shares"), pursuant to the terms set forth herein and to the 2007 Information Services Group, Inc. Equity Incentive Plan (the "Plan"), the terms of which are hereby incorporated by reference and made a part of this Agreement;

WHEREAS, the committee of the Company's Board appointed to administer the Plan (the "Committee"), has determined that it would be to the advantage and best interest of the Company and its shareholders to grant the Restricted Stock Unit Award provided for herein to the Grantee, and has advised the Company thereof and instructed the undersigned officers to grant said Restricted Stock Unit Award.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. Grant of the Restricted Stock Units.

Subject to the terms and conditions of the Plan and the additional terms and conditions set forth in this Agreement, the Company hereby grants to the Grantee [•] Restricted Stock Units (hereinafter called "RSUs"). The RSUs shall vest and become nonforfeitable in accordance with Section 2 hereof.

2. Vesting.

(a) So long as the Grantee continues to be a member of the Board, the RSUs shall become vested and nonforfeitable in three equal installments on each of the first, second and third anniversaries of the Grant Date (each anniversary of the Grant Date, a "Vesting Date"); provided however, that the RSUs shall become 100% vested and nonforfeitable upon the earliest to occur of (i) the date the Grantee ceases to be a member of the Board due to the Grantee's death, Disability or Retirement (as defined below), and (ii) a Change in Control (any such date, an "Acceleration Date").

(b) If, prior to the occurrence of the third anniversary of the Grant Date (or any Acceleration Date), the Grantee ceases to be a member of the Board for any reason other than due to the Grantee's death, Disability or Retirement (as defined below), the RSUs shall, to the extent not then vested, be forfeited by the Grantee without consideration therefor; provided, however, the Board may exercise its discretion and accelerate the vesting of any portion of the grant which is unvested.

(c) For purposes of this Agreement, "Retirement" shall mean a voluntary resignation from the Board at the age of seventy-five (75) or older.

(d) In no event shall the Grantee receive any distribution of Shares subject to any vested RSUs until the Vesting Date or Acceleration Date, as applicable, at which time the Company shall,

as promptly as administratively practicable (but in no event later than March 14 of the calendar year following the calendar year in which such Vesting Date or Acceleration Date occurs) deliver such Shares to the Grantee.

3. Equivalents. The Participant shall have the right to be credited with dividend equivalents equal to the dividends paid by the Company that the Participant would have received if, on the corresponding dividend payment due date, the Participant had been the owner of a number of Shares equal to the number of RSUs awarded to the Participant pursuant to the Agreement for which Shares have not been previously delivered pursuant to Section 2(d) of the Agreement (the "Dividend Equivalents"). Any Dividend Equivalents deriving from a cash dividend shall be converted to RSUs based on the Fair Market Value of Shares on the dividend payment date (or, if the dividend payment date is not a day during which the NASDAQ is open for trading (such an open day, a "NASDAQ Trading Day"), then on the first NASDAQ Trading Day following the dividend payment date). Subject to any provisions of the Plan relating to adjustments of Awards (including Section 9 of the Plan), any Dividend Equivalents deriving from a dividend of Shares shall be converted into additional RSUs on a one-for-one basis. The Participant shall continue to be credited with Dividend Equivalents until the date of delivery of the corresponding Shares pursuant to Section 2(d) of the Agreement or until earlier forfeiture or cancellation of the RSUs. Notwithstanding the foregoing, as determined by the Board or the Committee, such Dividend Equivalents may be paid in the form of cash instead of RSUs, or a combination of cash and RSUs. The Dividend Equivalents so credited shall be subject to the same terms and conditions as the corresponding RSUs, and shall vest and be settled Dividend (or if applicable, be cancelled or forfeited) in the same manner and at the same time as the corresponding RSUs, as if the Dividend Equivalents had been granted at the same time as the Restricted Stock Unit Award.

4. Change in Capitalization; Corporate Transactions. If there occurs an event as described in Section 9 of the Plan, the provisions of Section 9 shall govern the treatment of this RSU Award.

5. Limitation on Obligations. The Company's obligation with respect to the RSUs granted hereunder is limited solely to the delivery to the Grantee of shares of Common Stock on the date when such shares are due to be delivered hereunder, and in no way shall the Company become obligated to pay cash in respect of such obligation unless otherwise provided under Section 9 of the Plan and permitted under Section 409A of the Code. This RSU Award shall not be secured by any specific assets of the Company or any of its Affiliates, nor shall any assets of the Company or any of its Affiliates be designated as attributable or allocated to the satisfaction of the Company's obligations under this Agreement.

6. Rights as a Stockholder. The Grantee shall not have any rights of a common stockholder of the Company unless and until the Grantee becomes entitled to receive the shares of Common Stock pursuant to Section 2 above.

7. Transferability. The RSUs may not, at any time prior to becoming vested pursuant to Section 2 or thereafter, be transferred, sold, assigned, pledged, hypothecated or otherwise disposed of unless such transfer, sale, assignment, pledge, hypothecation or other disposition is made to a trust or other estate planning vehicle and otherwise complies with the provisions of this Agreement.

8. Grantee's Continued Service on the Board. Nothing contained in this Agreement or in any other agreement entered into by the Company and the Grantee guarantees that the Grantee will continue to serve as a member of the Board for any specified period of time.

9. Withholding. It shall be a condition of the obligation of the Company upon delivery of Common Stock to the Grantee pursuant to Section 2 above that the Grantee pay to the Company such amount as may be requested by the Company for the purpose of satisfying any liability for any federal, state or local income or other taxes required by law to be withheld or paid by the Company with respect to such Common Stock. The Company shall be authorized to take such action as may be necessary, in the opinion of the Company's counsel (including, without limitation, withholding Common Stock otherwise deliverable to the Grantee hereunder and/or withholding amounts from any compensation or other amount owing from the Company to the Grantee), to satisfy the obligations for payment of the minimum amount of any such taxes. In addition, if the Company's accountants determine that there would be no adverse accounting implications to the Company, or if the Company otherwise in its discretion allows the following to be so, the Grantee may be permitted to elect to use Common Stock otherwise deliverable to the Grantee hereunder to satisfy any such obligations, subject to such procedures as the Company's accountants may require. The Grantee is hereby advised to seek his or her own tax counsel regarding the taxation of the grant of RSUs made hereunder.

10. Securities Laws. Upon the delivery of any Common Stock to the Grantee, the Company may require the Grantee to make or enter into such written representations, warranties and agreements as the Committee may reasonably request in order to comply with applicable securities laws or with this Agreement. The delivery of the Common Stock hereunder shall be subject to all applicable laws, rules and regulations and to such approvals of any governmental agencies as may be required.

11. Section 409A of the Code. In the event that it is reasonably determined by the Company that, as a result of the deferred compensation tax rules under Section 409A of the Internal Revenue Code of 1986, as amended (and any related regulations or other pronouncements thereunder) ("the Deferred Compensation Tax Rules"), benefits that the Grantee is entitled to under the terms of this Agreement may not be made at the time contemplated by the terms hereof or thereof, as the case may be, without causing Grantee to be subject to tax under the Deferred Compensation Tax Rules, the Company shall, in lieu of providing such benefit when otherwise due under this Agreement, instead provide such benefit on the first day on which such provision would not result in the Grantee incurring any tax liability under the Deferred Compensation Tax Rules; which day, if the Grantee is a "specified Grantee" within the meaning of the Deferred Compensation Tax Rules, may, in the event the benefit to be provided is due to the Grantee's separation from service with the Company and its Affiliates, be the first day following the six-month period beginning on the date of such separation from service.

12. Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of its General Counsel at the principal executive office of the Company, and any notice to be given to the Grantee shall be addressed to him or her at the address appearing in the personnel records of the Company for the Grantee. By a notice given pursuant to this Section 12, either party may hereafter designate a different address for notices to be given to him or her. Any notice which is required to be given to the Grantee shall, if the Grantee is then deceased, be given to the Grantee's personal representative if such representative has previously informed the Company of his or her status and address by written notice under this Section 12. Any notice shall have been deemed duly given when delivered by hand or courier or when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

13. Governing Law. The laws of the State of Delaware (or if the Company reincorporates in another state, the laws of that state) shall govern the interpretation, validity and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

14. Restricted Stock Unit Award Subject to Plan. The Restricted Stock Unit Award and the RSUs granted hereunder are subject to the Plan. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

15. Amendment. This Agreement may be amended only by a writing executed by the parties hereto which specifically states that it is amending this Agreement.

16. Signature in Counterparts. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the Company and the Grantee have duly executed and delivered this Agreement as of the day and year first above written.

INFORMATION SERVICES GROUP, INC.

By: _____
Name: Thomas Kucinski
Title: Chief Human Resources Officer

GRANTEE

[•]

RESTRICTED STOCK UNIT AWARD AGREEMENT

(Time-Based)

THIS AGREEMENT (the "Agreement") is made, effective as of [*] (the "Grant Date") between Information Services Group, Inc., a Delaware corporation (the "Company"), and [*] an employee of the Company or an Affiliate of the Company, hereinafter referred to as the "Participant".

WHEREAS, the Company desires to grant the Participant a restricted stock unit award as provided for hereunder (the "Restricted Stock Unit Award"), ultimately payable in shares of common stock of the Company, par value \$0.001 per share (the "Common Stock" or "Shares"), pursuant to the terms set forth herein and to the Amended and Restated 2007 Equity and Incentive Award Plan (as amended from time to time, the "Plan"), the terms of which are hereby incorporated by reference and made a part of this Agreement (capitalized terms not otherwise defined herein shall have the same meanings as in the Plan);

WHEREAS, the committee of the Company's board of directors appointed to administer the Plan (the "Committee"), has determined that it would be to the advantage and best interest of the Company and its shareholders to grant the Restricted Stock Unit Award provided for herein to the Participant as an incentive for increased efforts during his or her term of services with the Company or its Affiliates, and has advised the Company thereof and instructed the undersigned officers to grant said Restricted Stock Unit Award.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. Grant of Restricted Stock Units; Conditions to Grant.

(a) Subject to the terms and conditions of the Plan and the additional terms and conditions set forth in this Agreement, effective as of the Grant Date, the Company hereby grants to the Participant [*] Restricted Stock Units (the "RSUs"). Each RSU represents the right to receive one share of Common Stock upon the vesting of such RSUs in accordance with Section 2 hereof.

(b) Notwithstanding any other provision of this Agreement to the contrary, the Participant's rights to vest under this Agreement will be subject at all times to the Participant's compliance with that certain Restrictive Covenant Agreement entered into by and between the Participant and the Company on or prior to the date herewith (as such agreement may be amended or supplemented from time to time) and with any other restrictive covenants pursuant to which the Participant is bound (collectively, the "Restrictive Covenants"), and the Participant, by executing this Agreement, agrees and acknowledges that this Award may be subject to forfeiture in the event of the Participant's breach of such Restrictive Covenants.

2. Vesting; Delivery of Shares

(a) Unless otherwise provided in this agreement, the RSUs shall vest with respect to xxx percent (xx%) on [Date], so long as the Participant remains employed with or providing services for the Company or any of its Affiliates on that date.

(b) For purposes of this Agreement:

“Cause” shall mean “Cause” as such term may be defined in any employment agreement or other agreement in effect at the time of termination of employment between the Participant and the Company or any of its Affiliates, or, if there is no such employment or other agreement, “Cause” shall mean, with respect to the Participant: (a) willful and continued failure to perform his or her material duties with respect to the Company or its Affiliates which continues beyond ten business days after a written demand for substantial performance is delivered to the Participant by the Company; (b) any act involving fraud or material dishonesty in connection with the business of the Company or its Affiliates; (c) a material violation of the Company’s code of conduct or other policy; (d) assault or other unlawful act of violence; or (e) conviction of, or a plea of *nolo contendere* to, any felony whatsoever or any misdemeanor that would preclude employment under the Company’s hiring policy.

“Retirement” shall have the meaning as defined in the retirement plan that applies to the Participant or such other retirement age as required by law.

(c) In no event shall the Participant receive any distribution of Shares subject to any RSUs until their vesting, at which time the Company shall, as promptly as administratively practicable, but in no event later than 15 business days following each applicable vesting date, deliver such Shares to the Participant.

3. Dividend Equivalents. The Participant shall have the right to be credited with dividend equivalents equal to the dividends paid by the Company that the Participant would have received if, on the corresponding dividend payment due date, the Participant had been the owner of a number of Shares equal to the number of RSUs awarded to the Participant pursuant to the Agreement for which Shares have not been previously delivered pursuant to Section 2(d) of the Agreement (the “Dividend Equivalents”). Any Dividend Equivalents deriving from a cash dividend shall be converted to RSUs based on the Fair Market Value of Shares on the dividend payment date (or, if the dividend payment date is not a day during which the NASDAQ is open for trading (such an open day, a “NASDAQ Trading Day”), then on the first NASDAQ Trading Day following the dividend payment date). Subject to any provisions of the Plan relating to adjustments of Awards (including Section 9 of the Plan), any Dividend Equivalents deriving from a dividend of Shares shall be converted into additional RSUs on a one-for-one basis. The Participant shall continue to be credited with Dividend Equivalents until the date of delivery of the corresponding Shares pursuant to Section 2(d) of the Agreement or until earlier forfeiture or cancellation of the RSUs. Notwithstanding the foregoing, as determined by the Board or the Committee, such Dividend Equivalents may be paid in the form of cash instead of RSUs, or a combination of cash and RSUs. The Dividend Equivalents so credited shall be subject to the same terms and conditions as the corresponding RSUs, and shall vest and be settled (or if applicable, be cancelled or forfeited) in the same manner and at the same time as the corresponding RSUs, as if the Dividend Equivalents had been granted at the same time as the Restricted Stock Unit Award.

4. Change in Capitalization; Corporate Transactions.

(a) *Adjustments.* If there occurs an event as described in Section 9(a) of the Plan, the provisions of Section 9(a) shall govern the treatment of the RSUs.

(b) *Assumption of RSU by Acquirer.* Provided that the Participant remains employed by or providing services to the Company or its Affiliates on the closing date of a Change in Control, any unvested portion of the RSU that is assumed by the successor entity shall continue to vest in accordance with the terms of Section 2 of this Agreement; provided that, in the event that the Participant is terminated without Cause or for Good Reason or due to Participant’s death or Disability within 24 months following

the closing date of a Change in Control, any unvested portion of the RSUs shall be 100% vested on such termination date.

(c) No Assumption of RSU by Acquirer. Provided that the Participant remains employed by or providing services to the Company or its Affiliates on the closing date of a Change in Control, any unvested portion of the RSUs that are not assumed by the successor entity shall be 100% vested immediately prior to the closing of such Change in Control.

5. Limitation on Obligations. The Company's obligation with respect to the RSUs granted hereunder is limited solely to the delivery to the Participant of shares of Common Stock on the date when such shares are due to be delivered hereunder, and in no way shall the Company become obligated to pay cash in respect of such obligation unless otherwise provided under Section 9 and permitted under Section 409A of the Code. The RSUs shall not be secured by any specific assets of the Company or any of its Affiliates, nor shall any assets of the Company or any of its Affiliates be designated as attributable or allocated to the satisfaction of the Company's obligations under this Agreement.

6. Rights as a Stockholder. The Participant shall not have any rights of a common stockholder of the Company unless and until the Participant becomes entitled to receive the shares of Common Stock pursuant to Section 2 above.

7. Transferability; Successors and Assigns. The RSUs may not be assigned, alienated, pledged, attached, sold, transferred, encumbered, hypothecated or otherwise disposed of by the Participant and any such purported assignment, alienation, pledge, attachment, sale, transfer, encumbrance, hypothecation or disposition shall be void and unenforceable against the Company or any Affiliate; provided that the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance. This Section 7 shall not prevent transfers by will or by the applicable laws of descent and distribution. The shares of Common Stock acquired by the Participant pursuant to Section 2 of this Agreement may not at any time be assigned, alienated, pledged, attached, sold, transferred, encumbered, hypothecated or otherwise disposed of by the Participant other than in compliance with applicable securities laws. This Agreement shall be binding on all successors and assigns of the Company and the Participant, including without limitation, the estate of such Participant and the executor, administrator or trustee of such estate, or any receiver or trustee in bankruptcy or representative of the Participant's creditors.

8. No Right to Continued Employment or Services or Other Equity Awards. The granting of the RSUs evidenced hereby and this Agreement shall impose no obligation on the Company or any Affiliate to (a) continue the employment or services of the Participant and shall not lessen or affect the Company's or its Affiliate's right to terminate the employment or services of such Participant or (b) to make any future Share or Share-based awards to the Participant, and this grant of RSUs does not constitute any increase of annual compensation or benefits to be provided to the Participant.

9. Withholding. It shall be a condition of the obligation of the Company upon delivery of Common Stock to the Participant pursuant to Section 2 above that the Participant pay to the Company such amount as may be requested by the Company for the purpose of satisfying any liability for any federal, state or local income or other taxes required by law to be withheld with respect to such Common Stock. The Company shall be authorized to take such action as may be necessary, in the opinion of the Company's counsel (including, without limitation, withholding Common Stock otherwise deliverable to the Participant hereunder and/or withholding amounts from any compensation or other amount owing from the Company to the Participant), to satisfy the obligations for payment of the

minimum amount of any such taxes. In addition, if the Company's accountants determine that there would be no adverse accounting implications to the Company, or if the Company otherwise in its discretion allows the following to be so, the Participant may be permitted to elect to use Common Stock otherwise deliverable to the Participant hereunder to satisfy any such withholding obligations, subject to such procedures as the Company's accountants may require. The Participant is hereby advised to seek his or her own tax counsel regarding the taxation of the grant of RSUs made hereunder.

10. Securities Laws. Upon the delivery of any Common Stock to the Participant, the Company may require the Participant to make or enter into such written representations, warranties and agreements as the Committee may reasonably request in order to comply with applicable securities laws or with this Agreement. The delivery of the Common Stock hereunder shall be subject to all applicable laws, rules, and regulations and to such approvals of any governmental agencies as may be required.

11. Section 409A of the Code. In the event that it is reasonably determined by the Company that, as a result of the deferred compensation tax rules under Section 409A of the Internal Revenue Code of 1986, as amended (and any related regulations or other pronouncements thereunder) (the "Deferred Compensation Tax Rules"), benefits that the Participant is entitled to under the terms of this Agreement may not be made at the time contemplated by the terms hereof or thereof, as the case may be, without causing the Participant to be subject to tax under the Deferred Compensation Tax Rules, the Company shall, in lieu of providing such benefit when otherwise due under this Agreement, instead provide such benefit on the first day on which such provision would not result in the Participant incurring any tax liability under the Deferred Compensation Tax Rules; which day, if the Participant is a "specified employee" within the meaning of the Deferred Compensation Tax Rules, may, in the event the benefit to be provided is due to the Participant's separation from service with the Company and its Affiliates, be the first day following the six-month period beginning on the date of such separation from service.

12. Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of its General Counsel at the principal executive office of the Company, and any notice to be given to the Participant shall be addressed to him or her at the address appearing in the personnel records of the Company for the Participant. By a notice given pursuant to this Section 12, either party may hereafter designate a different address for notices to be given to him or her. Any notice which is required to be given to the Participant shall, if the Participant is then deceased, be given to the Participant's personal representative if such representative has previously informed the Company of his or her status and address by written notice under this Section 12. Any notice shall have been deemed duly given when delivered by hand or courier or when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

13. Governing Law. The laws of the State of Delaware (or if the Company reincorporates in another state, the laws of that state) shall govern the interpretation, validity and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

14. Restricted Stock Unit Award Subject to Plan. The Restricted Stock Unit Award and the RSUs granted hereunder are subject to the Plan. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

15. Amendment. This Agreement may be amended only by a writing executed by the parties hereto which specifically states that it is amending this Agreement.

16. Signature in Counterparts. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

[Signatures on next page.]

IN WITNESS WHEREOF, the Company and the Participant have duly executed and delivered this Agreement as of the day and year first above written.

INFORMATION SERVICES GROUP, INC.

By:

Name: Thomas Kucinski

Title: Executive Vice President and Chief HR Officer

PARTICIPANT:

By:

Name: [•]

Restricted Stock Unit Award Agreement

Time-based

(Date)

6

RESTRICTED STOCK UNIT AWARD AGREEMENT

(Performance-Based)

THIS AGREEMENT (the "Agreement") is made, effective as of [*] (the "Grant Date") between Information Services Group, Inc., a Delaware corporation (the "Company"), and [*], an employee of the Company or an Affiliate of the Company, hereinafter referred to as the "Participant".

WHEREAS, the Company desires to grant the Participant a restricted stock unit award as provided for hereunder (the "Restricted Stock Unit Award"), ultimately payable in shares of common stock of the Company, par value \$0.001 per share (the "Common Stock" or "Shares"), pursuant to the terms set forth herein and to the Amended and Restated 2007 Equity and Incentive Award Plan (as amended from time to time, the "Plan"), the terms of which are hereby incorporated by reference and made a part of this Agreement (capitalized terms not otherwise defined herein shall have the same meanings as in the Plan);

WHEREAS, the committee of the Company's board of directors appointed to administer the Plan (the "Committee"), has determined that it would be to the advantage and best interest of the Company and its shareholders to grant the Restricted Stock Unit Award provided for herein to the Participant as an incentive for increased efforts during his or her term of services with the Company or its Affiliates, and has advised the Company thereof and instructed the undersigned officers to grant said Restricted Stock Unit Award.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. Grant of Restricted Stock Units; Conditions to Grant.

(a) Subject to the terms and conditions of the Plan and the additional terms and conditions set forth in this Agreement, effective as of the Grant Date, the Company hereby grants to the Participant [*] Restricted Stock Units (the "RSUs"). Each RSU represents the right to receive one share of Common Stock upon the vesting of such RSUs in accordance with Section 2 hereof.

(b) Notwithstanding any other provision of this Agreement to the contrary, the Participant's rights to vest under this Agreement will be subject at all times to the Participant's compliance with that certain Restrictive Covenant Agreement entered into by and between the Participant and the Company on or prior to the date herewith (as such agreement may be amended or supplemented from time to time) and with any other restrictive covenants pursuant to which the Participant is bound (collectively, the "Restrictive Covenants"), and the Participant, by executing this Agreement, agrees and acknowledges that this Award may be subject to forfeiture in the event of the Participant's breach of such Restrictive Covenants.

2. Vesting; Delivery of Shares

(a) Unless otherwise provided in this agreement, the number of RSUs shall be determined according to the attached Schedule A. Except as otherwise provided herein, upon any termination of the Participant's employment or services, any unvested RSUs shall be forfeited by the Participant without payment therefore.

(b) For purposes of this Agreement:

“Cause” shall mean “Cause” as such term may be defined in any employment agreement or other agreement in effect at the time of termination of employment between the Participant and the Company or any of its Affiliates, or, if there is no such employment or other agreement, “Cause” shall mean, with respect to the Participant: (a) willful and continued failure to perform his or her material duties with respect to the Company or its Affiliates which continues beyond ten business days after a written demand for substantial performance is delivered to the Participant by the Company; (b) any act involving fraud or material dishonesty in connection with the business of the Company or its Affiliates; (c) a material violation of the Company’s code of conduct or other policy; (d) assault or other unlawful act of violence; or (e) conviction of, or a plea of *nolo contendere* to, any felony whatsoever or any misdemeanor that would preclude employment under the Company’s hiring policy.

“Retirement” shall have the meaning as defined in the retirement plan that applies to the Participant or such other retirement age as required by law.

(c) In no event shall the Participant receive any distribution of Shares subject to any RSUs until their vesting, at which time the Company shall, as promptly as administratively practicable, but in no event later than 15 business days following each applicable vesting date, deliver such Shares to the Participant.

3. Dividend Equivalents. The Participant shall have the right to be credited with dividend equivalents equal to the dividends paid by the Company that the Participant would have received if, on the corresponding dividend payment due date, the Participant had been the owner of a number of Shares equal to the number of RSUs awarded to the Participant pursuant to the Agreement for which Shares have not been previously delivered pursuant to Section 2(d) of the Agreement (the “Dividend Equivalents”). Any Dividend Equivalents deriving from a cash dividend shall be converted to RSUs based on the Fair Market Value of Shares on the dividend payment date (or, if the dividend payment date is not a day during which the NASDAQ is open for trading (such an open day, a “NASDAQ Trading Day”), then on the first NASDAQ Trading Day following the dividend payment date). Subject to any provisions of the Plan relating to adjustments of Awards (including Section 9 of the Plan), any Dividend Equivalents deriving from a dividend of Shares shall be converted into additional RSUs on a one-for-one basis. The Participant shall continue to be credited with Dividend Equivalents until the date of delivery of the corresponding Shares pursuant to Section 2(d) of the Agreement or until earlier forfeiture or cancellation of the RSUs. Notwithstanding the foregoing, as determined by the Board or the Committee, such Dividend Equivalents may be paid in the form of cash instead of RSUs, or a combination of cash and RSUs. The Dividend Equivalents so credited shall be subject to the same terms and conditions as the corresponding RSUs, and shall vest and be settled (or if applicable, be cancelled or forfeited) in the same manner and at the same time as the corresponding RSUs, as if the Dividend Equivalents had been granted at the same time as the Restricted Stock Unit Award.

4. Change in Capitalization; Corporate Transactions.

(a) *Adjustments.* If there occurs an event as described in Section 9(a) of the Plan, the provisions of Section 9(a) shall govern the treatment of the RSUs.

(b) *Change in Control.* Provided that the Participant remains employed by or providing services to the Company or its Affiliates on the closing date of a Change in Control, any unvested portion of the RSU shall be vested based on the higher of (i) the Price Target or (ii) the price per Share being paid by the acquirer in such Change in Control.

5. Limitation on Obligations. The Company's obligation with respect to the RSUs granted hereunder is limited solely to the delivery to the Participant of shares of Common Stock on the date when such shares are due to be delivered hereunder, and in no way shall the Company become obligated to pay cash in respect of such obligation unless otherwise provided under Section 9 and permitted under Section 409A of the Code. The RSUs shall not be secured by any specific assets of the Company or any of its Affiliates, nor shall any assets of the Company or any of its Affiliates be designated as attributable or allocated to the satisfaction of the Company's obligations under this Agreement.

6. Rights as a Stockholder. The Participant shall not have any rights of a common stockholder of the Company unless and until the Participant becomes entitled to receive the shares of Common Stock pursuant to Section 2 above.

7. Transferability; Successors and Assigns. The RSUs may not be assigned, alienated, pledged, attached, sold, transferred, encumbered, hypothecated or otherwise disposed of by the Participant and any such purported assignment, alienation, pledge, attachment, sale, transfer, encumbrance, hypothecation or disposition shall be void and unenforceable against the Company or any Affiliate; provided that the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance. This Section 7 shall not prevent transfers by will or by the applicable laws of descent and distribution. The shares of Common Stock acquired by the Participant pursuant to Section 2 of this Agreement may not at any time be assigned, alienated, pledged, attached, sold, transferred, encumbered, hypothecated or otherwise disposed of by the Participant other than in compliance with applicable securities laws. This Agreement shall be binding on all successors and assigns of the Company and the Participant, including without limitation, the estate of such Participant and the executor, administrator or trustee of such estate, or any receiver or trustee in bankruptcy or representative of the Participant's creditors.

8. No Right to Continued Employment or Services or Other Equity Awards. The granting of the RSUs evidenced hereby and this Agreement shall impose no obligation on the Company or any Affiliate to (a) continue the employment or services of the Participant and shall not lessen or affect the Company's or its Affiliate's right to terminate the employment or services of such Participant or (b) to make any future Share or Share-based awards to the Participant, and this grant of RSUs does not constitute any increase of annual compensation or benefits to be provided to the Participant.

9. Withholding. It shall be a condition of the obligation of the Company upon delivery of Common Stock to the Participant pursuant to Section 2 above that the Participant pay to the Company such amount as may be requested by the Company for the purpose of satisfying any liability for any federal, state or local income or other taxes required by law to be withheld with respect to such Common Stock. The Company shall be authorized to take such action as may be necessary, in the opinion of the Company's counsel (including, without limitation, withholding Common Stock otherwise deliverable to the Participant hereunder and/or withholding amounts from any compensation or other amount owing from the Company to the Participant), to satisfy the obligations for payment of the minimum amount of any such taxes. In addition, if the Company's accountants determine that there would be no adverse accounting implications to the Company, or if the Company otherwise in its discretion allows the following to be so, the Participant may be permitted to elect to use Common Stock otherwise deliverable to the Participant hereunder to satisfy any such withholding obligations, subject to such procedures as the Company's accountants may require. The Participant is hereby advised to seek his or her own tax counsel regarding the taxation of the grant of RSUs made hereunder.

10. Securities Laws. Upon the delivery of any Common Stock to the Participant, the Company may require the Participant to make or enter into such written representations, warranties and agreements as the Committee may reasonably request in order to comply with applicable securities laws or with this Agreement. The delivery of the Common Stock hereunder shall be subject to all applicable laws, rules, and regulations and to such approvals of any governmental agencies as may be required.

11. Section 409A of the Code. In the event that it is reasonably determined by the Company that, as a result of the deferred compensation tax rules under Section 409A of the Internal Revenue Code of 1986, as amended (and any related regulations or other pronouncements thereunder) (the "Deferred Compensation Tax Rules"), benefits that the Participant is entitled to under the terms of this Agreement may not be made at the time contemplated by the terms hereof or thereof, as the case may be, without causing the Participant to be subject to tax under the Deferred Compensation Tax Rules, the Company shall, in lieu of providing such benefit when otherwise due under this Agreement, instead provide such benefit on the first day on which such provision would not result in the Participant incurring any tax liability under the Deferred Compensation Tax Rules; which day, if the Participant is a "specified employee" within the meaning of the Deferred Compensation Tax Rules, may, in the event the benefit to be provided is due to the Participant's separation from service with the Company and its Affiliates, be the first day following the six-month period beginning on the date of such separation from service.

12. Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of its General Counsel at the principal executive office of the Company, and any notice to be given to the Participant shall be addressed to him or her at the address appearing in the personnel records of the Company for the Participant. By a notice given pursuant to this Section 12, either party may hereafter designate a different address for notices to be given to him or her. Any notice which is required to be given to the Participant shall, if the Participant is then deceased, be given to the Participant's personal representative if such representative has previously informed the Company of his or her status and address by written notice under this Section 12. Any notice shall have been deemed duly given when delivered by hand or courier or when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

13. Governing Law. The laws of the State of Delaware (or if the Company reincorporates in another state, the laws of that state) shall govern the interpretation, validity and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

14. Restricted Stock Unit Award Subject to Plan. The Restricted Stock Unit Award and the RSUs granted hereunder are subject to the Plan. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

15. Amendment. This Agreement may be amended only by a writing executed by the parties hereto which specifically states that it is amending this Agreement.

16. Signature in Counterparts. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

[Signatures on next page.]

IN WITNESS WHEREOF, the Company and the Participant have duly executed and delivered this Agreement as of the day and year first above written.

INFORMATION SERVICES GROUP, INC.

By: _____

Name: Thomas Kucinski

Title: Executive Vice President and Chief HR Officer

PARTICIPANT:

By: _____

Name: [•]

Restricted Stock Unit Award Agreement

Performance-based

([•])

Schedule A

Ability to earn additional shares according to the schedule below:

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List of Subsidiaries

Subsidiary	Jurisdiction of Organization
Information Services Group, Inc.	Delaware
International Advisory Holdings Corp.	Delaware
International Consulting Acquisition Corp.	Delaware
ISG Information Services Group Americas, Inc.	Texas
TPI Euro-sourcing, L.L.C.	Texas
TPI Advisory Services India Pvt. Ltd.	India
Information Services Group Germany GmbH	Germany
TPI Europe Ltd.	United Kingdom
Technology Partners International K.K.-Japan	Japan
TPI Sourcing Consultants Canada Corp.	Nova Scotia
CCGH Limited	United Kingdom
Information Services Group Switzerland GmbH	Switzerland
Information Services Group Denmark ApS	Denmark
Information Services Group Oy	Finland
ISG (Group Services) Ltd.	United Kingdom
Information Services Group Europe Limited	United Kingdom
Information Services Group Sweden AB	Sweden
Information Services Group SA	France
Alsbridge Holdings, Inc.	Delaware
Alsbridge, Inc.	Texas
Alsbridge GmbH	Germany
Alsbridge Canada, Inc.	Canada
Alsbridge Shared Services Corp.	Texas
Alsbridge Advisory Private Limited	India
Alsbridge Limited (England & Wales)	United Kingdom
Alsbridge ANZ PTY Limited	Australia
ProBenchmark Outsourcing Solutions Private Limited	India
Compass Publishing BV	Netherlands
Information Services Group Netherlands B.V.	Netherlands
Compass Management Consulting Ltd	Canada
CTP Italia S.p.A.	Italy
TPI Advisory Services Hong Kong Limited	Hong Kong
ISG Servicios Informativos S DE RL DE CV	Mexico

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-238177, 333-218061, 333-149950, 333-168848 and 333-196193) of Information Services Group, Inc. of our report dated March 10, 2023 relating to the financial statements, financial statement schedules and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

Stamford, Connecticut

March 10, 2023

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Michael P. Connors as true and lawful attorney-in-fact and agent, with full power (including the full power of substitution and resubstitution) to sign for him and in his name, place and stead, in the capacity or capacities set forth below, (1) the Annual Report on Form 10-K for the fiscal year ended December 31, 2022 to be filed by Information Services Group, Inc. (the "Company") with the Securities and Exchange Commission (the "Commission") pursuant to Section 13 of the Securities Exchange Act of 1934, as amended, and (2) any amendments to the foregoing Annual Report, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
_____ /s/ NEIL G. BUDNICK Neil G. Budnick	Director	March 10, 2023
_____ /s/ GERALD S. HOBBS Gerald S. Hobbs	Director	March 10, 2023
_____ /s/ KALPANA RAINA Kalpana Raina	Director	March 10, 2023
_____ /s/ DONALD C. WAITE III Donald C. Waite III	Director	March 10, 2023
_____ /s/ CHRISTINE PUTUR Christine Putur	Director	March 10, 2023
_____ /s/ Bruce N. Pfau Bruce N. Pfau	Director	March 10, 2023

**CERTIFICATE PURSUANT TO
RULES 13a-14(a) and 15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Michael P. Connors, certify that:

1. I have reviewed this annual report on Form 10-K of Information Services Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

March 10, 2023

/s/ MICHAEL P. CONNORS

Michael P. Connors
Chairman and Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATE PURSUANT TO
RULES 13a-14(a) and 15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Humberto P. Alfonso, certify that:

1. I have reviewed this annual report on Form 10-K of Information Services Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

March 10, 2023

/s/ HUMBERTO P. ALFONSO

Humberto P. Alfonso
*Executive Vice President, Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)*

**CERTIFICATION PURSUANT TO
18 USC. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report on Form 10-K of Information Services Group, Inc. (the "Company") for the year ended December 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael P. Connors, Chairman and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 10, 2023

/s/ MICHAEL P. CONNORS

Michael P. Connors
Chairman and Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 USC. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report on Form 10-K of Information Services Group, Inc. (the "Company") for the year ended December 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Humberto P. Alfonso, Executive Vice President, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (3) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (4) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 10, 2023

/s/ HUBERTO P. ALFONSO

Humberto P. Alfonso
*Executive Vice President, Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)*
