STATE LABOR DEPARTMENT AND ACCENTURE
MUTUALLY TERMINATE SOFTWARE CONTRACT

(DENVER) – Accenture and the State of Colorado, acting through the Colorado Department of Labor and Employment, have mutually agreed to terminate the \textit{genesis} integrated unemployment insurance system contract effective December 20, 2005.

Both Accenture and the State have agreed to waive all claims and not contest any payments made for work on the Wage Detail, Benefits Payment Control and Unified Desktop subsystems.

In addition, the agreement includes a release by Accenture of amounts payable to it and a refund of $8.2 million for work performed on the partially completed Tax subsystem.

The State expressed appreciation for Accenture’s work completing three of the five \textit{genesis} subsystems -- Wage Detail, Benefits Payment Control, and Unified Desktop, all of which are currently used in daily operations.

\textbf{Background Information}

In April 2002 Accenture signed a 4-year, $40 million fixed-price contract to build a statewide unemployment insurance system ("\textit{genesis}") for the Colorado Department of Labor and Employment with five software releases scheduled between January 2003 and May 2004. The schedule was amended by agreement due to a variety of issues that arose over the course of the project.

Accenture and the State began negotiations of an additional amendment adjusting the scope of the contract and the milestone schedules in the summer of 2005. Eventually, Accenture and the State mutually agreed to go their separate ways when they could not reach a meeting of the minds on the proposed amendment.