

September 10, 2009

Frank Whittaker
Department of Administration
Purchasing Division, Building 15
2019 Washington Street, East
Charleston, WV 25305-0130

RECEIVED

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PURCHASING DIVISION
STATE OF WV

RE: Sealed Bid, RFQ No. WWV10860 Review and Development of Policies and Procedures Manual

Dear Mr. Whittaker:

Calyptus Consulting Group, Inc. is pleased to provide this proposal in response to Virginia Department of Administration – Purchasing Division’s solicitation regarding consulting services for procurement process review and development of policies and procedure manual.

Calyptus has performed similar projects for Bank of America, NEC, John Hancock, FTA, and GDOT. Calyptus has the capacity, capability, and resources to perform this work for the Department. We acknowledge acceptance of all terms and conditions stated in the Request for Proposal.

I am authorized to represent the company in our negotiations and am authorized to sign any contract that may result from this proposal. My contact information is:

Dr. George L. Harris
President
Calyptus Consulting Group, Inc.
222 Third Street, Suite 2242
Cambridge, MA 02142
617.577.0041 (phone)
617.577.0042 (fax)
gharris@calyptusgroup.com (email)
Federal Tax Identification Number: 04-3287557

We look forward to working with the City on this project.

Sincerely,



George L. Harris
President

GENERAL TERMS & CONDITIONS
REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)

1. Awards will be made in the best interest of the State of West Virginia.
2. The State may accept or reject in part, or in whole, any bid.
3. All quotations are governed by the *West Virginia Code* and the *Legislative Rules* of the Purchasing Division.
4. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125 fee.
5. All services performed or goods delivered under State Purchase Order/Contracts are to be continued for the term of the Purchase Order/Contracts, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.
6. Payment may only be made after the delivery and acceptance of goods or services.
7. Interest may be paid for late payment in accordance with the *West Virginia Code*.
8. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
9. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
10. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
11. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.
12. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
13. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, the State may deem this contract null and void, and terminate such contract without further order.
14. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Cover Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.
15. **WEST VIRGINIA ALCOHOL & DRUG-FREE WORKPLACE ACT:** If this Contract constitutes a public improvement construction contract as set forth in Article 1D, Chapter 21 of the West Virginia Code ("The West Virginia Alcohol and Drug-Free Workplace Act"), then the following language shall hereby become part of this Contract: "The contractor and its subcontractors shall implement and maintain a written drug-free workplace policy in compliance with the West Virginia Alcohol and Drug-Free Workplace Act, as set forth in Article 1D, Chapter 21 of the West Virginia Code. The contractor and its subcontractors shall provide a sworn statement in writing, under the penalties of perjury, that they maintain a valid drug-free work place policy in compliance with the West Virginia and Drug-Free Workplace Act. It is understood and agreed that this Contract shall be cancelled by the awarding authority if the Contractor: 1) Fails to implement its drug-free workplace policy; 2) Fails to provide information regarding implementation of the contractor's drug-free workplace policy at the request of the public authority; or 3) Provides to the public authority false information regarding the contractor's drug-free workplace policy."

INSTRUCTIONS TO BIDDERS

1. Use the quotation forms provided by the Purchasing Division.
2. **SPECIFICATIONS:** Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as **EQUAL** to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Division may waive minor deviations to specifications.
3. Complete all sections of the quotation form.
4. Unit prices shall prevail in case of discrepancy.
5. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
6. **BID SUBMISSION:** All quotations must be delivered by the bidder to the office listed below prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications: Department of Administration, Purchasing Division, 2019 Washington Street East, P.O. Box 50130, Charleston, WV 25305-0130



To Develop Policies and Procedures Manual for Federal and/or State Government Agencies

Technical Proposal

RFQ No.: WWV10860

Submitted to:

*Department of Administration
Purchasing Division, Building 15
2019 Washington Street, East
Charleston, WV 25305-0130*

September 10, 2009

Submitted by:

Dr. George L. Harris
Principal and Business Contact
Calyptus Consulting Group, Inc.
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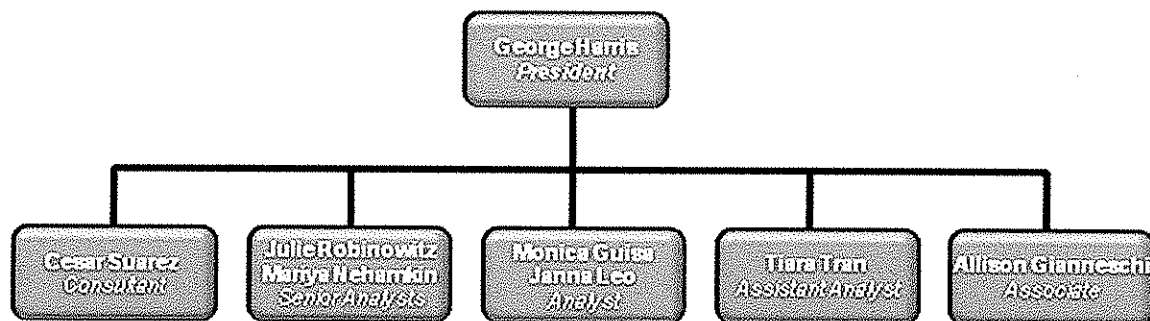
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SECTION 1 – CALYPTUS CONSULTING GROUP QUALIFICATION

CALYPTUS QUALIFICATIONS

Calyptus Consulting Group, Inc. (Calyptus) was incorporated in June 1992 as an independent company focusing on improving supply management performance for clients. We are a small business operating from offices located in Cambridge, Massachusetts. Dr. George Harris is the company's president and principal. Since we are small, we can react quickly and responsively without the lag time experienced by large companies.

The organizational structure is shown below.



We are widely respected in the supply chain and general management areas; and recognized by ISM (formerly National Association of Purchasing Management), NCMA (National Contract Management Association) and American Management Association (AMA), as a firm having unique acquisition and facilitation expertise.

SERVICES INCLUDE

Calyptus specializes in providing facilitation, consulting, and training solutions to clients to improve quality, supply chain management, core competencies and organizational performance. We assist Fortune 500 companies and government clients developing custom-made strategies that focus on and improve client capabilities, performance and goals.

Calyptus prides itself on the ability to provide services across many industries including basic manufacturing, electronics, defense/aerospace, government, software, financial services, consumer goods, chemicals and oil industries, and health care.

Our mission is to help our clients with the ever-changing dynamics of managing change. We guide clients through improving their human resource capability. We train client staff and assist in implementation of continuous improvement initiatives.

We also assist companies in developing an overall corporate strategy that is necessary to ensure that alignment exists across entire companies and subsidiaries.

We offer a proprietary human resource utilization assessment that can apply to any organization. We also employ a 6-Step Continuous Improvement Model that assists our clients in improving production and administrative processes. We help clients assess their entire organizational culture and leadership by using standardized, proven techniques and questionnaires.

Our staff serves as resources performing management, quality and systems functions. We perform organizational assessments, evaluating staffing, assigned roles and responsibilities, consolidation of tasks, centralization vs. decentralization, and process improvement possibilities.

Calyptus Consulting Group, Inc.'s consulting services encompass all supply management best-in-class practices and approaches including:

1992-2009 (Representative Only)

Policies and Procedures		
Fleet Bank (FleetBoston/Bank of America)	Policies and Procedures	Developed policies and procedures for procurement operations covering establishing baselines, specification development, bid solicitations, contract negotiations, and testing, implementing and monitoring.
Greater Bridgeport Transit Authority (GBTA)	Policies and Procedures	Developed policies and procedures for procurement operations.
John Hancock	Policies and Procedures	Developed a comprehensive policy and procedures manual for strategic sourcing.
NEC USA, Inc. Purchasing and Export Division (NEC)	International Procurement Office Procedures	Developed policies and procedures for international procurement covering purchasing, accounting, material and export control, and office administration.
GDOT	Transit Procedures and Process Review Transit Program: Intermodal Programs	Reviewing and developing policies and procedures for intermodal programs funded by FTA. The outcome of the procedure is to ensure all transparent processes are effectively described and implemented. Stakeholders and users will use this manual in accordance with FTA compliance and requirements during the grants management process.

Procurement System Reviews		
Federal Transit Administration (FTA)	Procurement System Reviews	Currently performing logistics audits of rapid transit agencies across the United States. Over 30 full-scale assessments have been performed to-date.
Rodel (division of Rohm and Haas)	Procurement System Review	Performed procurement assessment of staffing, systems, practices and procedures. Recommended actions to improve efficacy and prepare for growth.

Organizational Assessment and Design		
Johnson and Johnson	Organizational Development	Facilitated the development and implementation of a new acquisition organization for the Pharmaceutical business.
State of Connecticut	Staffing Levels Study	Evaluated job classifications in the Department of Transportation on a state-wide basis.
City of Sacramento	Organizational and Job Classification Assessment	Updated job descriptions and functions, as well as policies and procedures.

INFORMATION ABOUT STAFF PERFORMING THE REVIEW

Dr. George Harris is the President of Calyptus and is the project manager. He has been a consultant for 35 years and held management positions in the electronics industry. He is a C.P.M., CPCM, and possesses a DBA in management.

The experience of all of the team members is as follows:

Name	Years of Procurement Experience	Degrees / Certification	Years with Calyptus	Position Proposed
George Harris	35	DBA, C.P.M., CPCM	17	Project Manager
Cesar Suarez	7	MBA, Six Sigma Black Belt	1	Consultant
Julie Robinowitz	8	MBA, C.P.M. in progress	3	Consultant

Criteria for Staff Selection for this Project

Calyptus staff has previous hands-on experience with strategic operational assessments, are certified in purchasing or inventory management, and have been involved in implementing best practice projects. Further, staff are self-starters, willing to travel, and customer-focused.

Resumes

The resumes of Dr. George Harris, Mr. Cesar Suarez, and Ms. Julie Robinowitz are included on the following pages.

GEORGE L. HARRIS
Project Manager

Education:

Dr. Harris holds a B.S. (Business Management) from Georgetown University, a M.B.A. (Government Procurement and Materials Management) from George Washington University, and a DBA (Management) from Nova Southwestern University.

General Experience:

Dr. Harris specializes in the areas of organization assessment, human resources management, and operations improvement. He has established processes and systems for companies to evaluate their effectiveness. He has developed computerized tools to assist in assessment studies. He has assisted in developing the current assessment guide used by the FTA. He has developed other procurement assessment processes using ISO-9000, Baldrige, and DOD CPSR formats. He has performed management studies for Raytheon, United Technologies Corporation, Hughes Aircraft, and General Electric. Dr. Harris is the project manager for the FTA operational assessment and organization analysis project. He has worked closely with all of the FTA regional offices for more than eleven years.

Procurement and Training Experience:

Dr. Harris brings wide-ranging experience in dealing with organizational assessment and staffing studies to his engagements. Since founding Calyptus Consulting Group, Dr. Harris has conducted organizational audits and assessments of companies in various product and service fields using standardized methods and techniques. He has assessed the organizations of Raytheon, Otis Elevator, Qualcomm, Tri-State Electric, United Technologies, Honeywell, and the New York City Housing Authority. He has prepared action plans for improvement and has personally implemented those plans to customer requirements and satisfaction.

Dr. Harris led a project to conduct organizational assessments and staffing studies at of seven agencies of the District of Columbia, including the UDC, WASA, PBC, WCCA, OCFO, OCTO, and the OIG.

Dr. Harris has also led studies of complex organizations in the public sector that purchases capital items, construction, engineering, consulting studies, information technology, land and buildings, rolling stock, and spare parts. He led 47 FTA organization reviews for grantees such as New York City, Mn/DOT, Cincinnati, MBTA, Cleveland, Ft. Lauderdale, Jacksonville, Louisville, Lowell, MA, and Springfield, MA. These FTA assessments were performed to schedule and budget, and were well accepted by FTA, particularly the Regional Compliance Officers in the FTA Regional Offices.

Dr. Harris led a project team that evaluated the supply management processes of 1,000 rural electric utilities. He recommended nineteen (19) improvements in supply management processes and practices.

CESAR SUAREZ
Consultant

Education:

Mr. Suarez holds an MBA from Babson College (United States), a BE in Mechanical Engineering from De Montfort University (United Kingdom), and a BE in Industrial Engineering from the Universitat Politecnica de Catalunya (Spain). He is a Black Belt Six Sigma Certified.

General Experience:

Mr. Suarez currently specializes in spend analysis, procurement technology, business process optimization and project management. He has worked across several different industries including application and government, software, information technology, manufacturing, as well as banking and financial services.

Prior to coming to Calyptus, he led the development of a Spend Analysis software solution and he oversaw a new consulting offering to provide spend visibility to clients currently using ERP systems. In addition to that he has led consulting teams to improve eProcurement processes as well as participating in assessments for Collections software implementations. He was also responsible developing the marketing strategy for a Spend Analysis software tool that included creating a pricing strategy, preparing external sales materials, and performing market size analysis.

As a certified Six Sigma Black Belt, he led a cross functional team in developing a web solution to immediately generate designs and quotes upon customers' requests. In addition, he is also a certified Six Sigma Green Belt where he developed a web-based application integrated with design and element analysis software. He helped reducing cycle-time and optimizing business processes.

Mr. Suarez also has working experience with product management. He implemented a custom user interface for PLM software and developed a PDM application based on detailed specification and functional needs collected directly from internal customer and development team. As a result of his work, the PDM application was deployed at a \$1 Billion organization to train end-users from 14 facilities across the United States.

Consulting Experience:

Mr. Suarez has seven years of experience in management consulting, with a focus on procurement technology and business process improvement. His relevant experience includes procurement technology improvement processes, Spend Analysis technology development and Purchase card system implementation. He has performed this tasks for several industries including, technology, government, banking and financial services. He has also developed detailed spend analysis, industry and market analyses for the following areas:

- Sourcing and Procurement
- Government

- Manufacturing
- Technology

JULIE ROBINOWITZ
Analyst

Education

Ms. Robinowitz holds an MBA from Bryant University with a concentration in Operations Management.

General Experience

Ms. Robinowitz currently specializes in the collection, analysis, and reporting of data. She has worked extensively across several different industries including retail, human services, and insurance. Prior to coming to Calyptus she oversaw the design, implementation, and day to day operation for a department within an insurance company. This included developing work flows and tracking tools, tracking productivity, and ensuring the quality of all work products. Ms. Robinowitz has also been a member of a testing team for the design and implementation of a new furniture delivery and tracking system.

PSR and Procurement Experience

Ms. Robinowitz has conducted research in management, organizational assessment, staffing, and project management. She has also developed industry and market analyses for use in determining appropriate staffing strategies for the following categories:

- Office Supplies
- Warehouse Services
- Pallet Services
- MRO
- Natural Gas
- Corrugated packaging

For clients, Ms. Robinowitz has:

- Conducted data gathering interviews and summarized the data obtained
- Analyzed lead time data for contracts management and developed graphs of the results
- Developed a close-out tracking tool for a grants assessment project
- Prepared questionnaires for determining user requirements
- Developed user requirements
- Prepared data sets for analysis
- Conducted benchmarking studies
- Tracked the Natural Gas Market and researched industry trends
- Managed a past performance review project including coordinating efforts with the client and tracking project performance metrics

For FTA, she participated in organizational reviews conducted for the FTA at SEPTA, Miami-Dade County, Santa Clara Valley Transit, City of Vallejo, and the Port Authority of New York and New Jersey.

SECTION 2 – TECHNICAL APPROACH

The list of tasks provided by the Scope of Work focuses on the review and development of policies and procedures for each unit of the Fiscal and Administrative Management (FAM) Division to ensure compliance with the Federal Department of Labor requirements.

The State of West Virginia – Fiscal and Administrative Management (FAM) Division desires to seek a Consultant with at least five (5) years experience in developing policies and procedures relating to State government operations. In response to the State's request for quotation, Calyptus is pleased to submit a proposal stating our approach in providing the service. Over the past 12 years, Calyptus has reviewed, revised, and re-wrote, policies and procedures for more than 60 rapid transit organizations within the United States, Georgia Department of Transportation, Bank of America, and NEC.

Further, Calyptus developed strategic sourcing processes and commodity management handbooks for the following companies:

- United Technologies Corporation
- Bose Corporation
- Otis Elevator Company
- Johns Manville
- Invensys
- Raytheon
- Energizer
- Texas A&M University

We have access to policies and procedures in many Fortune 300 companies and have a research database that can support this project.

In all of our consulting and training work, we make it a practice to determine areas requiring change, and to point out areas of concern to management's attention. Further, we recommend areas for improvement that contain specific implementation ideas such as policies and procedures development, training, organizational change, cost savings, and pursuing leveraging opportunities. We develop priorities based on ease of implementation, potential input, complexity, and time frame. We always recommend an implementation plan, including tasks, due dates, and responsible parties.

Calyptus will use a four-phase process in reviewing, revising, and/or developing the policies and procedures manual for each unit of the Fiscal and Administrative Management (FAM) Division. We want to establish key staff for each policy and procedures to guide our efforts in addition to our primary contact. The four-phase process is provided on the following page.

Phase 1 – Interview Key Stakeholders

Depending on the nature of the policy and/or procedure, we will interview key stakeholders in Purchasing, Finance, Legal, IT, and Human Resources. We understand that the FAM processes may involve multiple steps and we will focus our work around these steps in characterizing the requirements. We will follow a set of defined and standardized guidelines for the interviews. Standard interviews will be performed in one to two hour increments to better understand the FAM processes, to learn present FAM methods used, to define successes and areas for improvement, and determine where best practices are needed. The output of this phase is a summary of the interviews, the recommended list of policies and procedures, the approval process for each policy and procedure, the format for each document, and the key staff member associated with each document. Additional policies and procedures in the following areas may be considered for evaluation, if necessary:

1. Cost and Price Analysis
2. Supplier Development
3. Use of RFQs/RFPs
4. Use of RFIs
5. Market Research
6. Establishing the Sourcing Project
7. SOWs/Specifications
8. Total Costs
9. Use of E-sourcing
10. Implementation of Agreements/Contracts

Phase 2 – Establish Policy and Procedure Structure:

During this phase, Calyptus will interview specific individuals to develop a draft of each procedure that will include:

- Purpose
- Roles and Responsibilities
- Flowchart of Procedure
- Timeframes for performance
- Sample forms and formats for work

Roles and responsibilities for each function and staff member as well as the desired timeframe for performing each part of the procedure will be developed in this phase. For each policy, we will establish applicability and tie it to procedures and reporting. Best practices and processes will be identified in this phase for consideration.

Phase 3 – Write and Test Policies and Procedures

In this phase, we will write and test each of the policies and procedures. Calyptus will provide the Director of FAM both the hard and electronic copies of the manual for review and sign off. Procedure will be tested in application within the Department and adjustments will be made prior to the final approval by FAM.

Phase 4 – Briefing on Policies and Procedures

All of the appropriate staff and cross-functional staff will be briefed on the policies and procedures during which time they will learn their roles and responsibilities and expectations. Additional training can be undertaken at a later date should the State of West Virginia decide it to be appropriate but the price for this effort is not included in this proposal.

All policies and procedures will be created in Microsoft Word. Other formats are available if desired by the State. Calyptus will use its library of over sixty (60) policies and procedures manual as base material and will develop the documentation using the data received from interviews and best practices.

Project Schedule:

Calyptus will be available to start the project by September 7, 2009. To ensure that a manual is delivered by no later than December 1, 2009, we propose a schedule of twelve (12) weeks for the delivery of the policies and procedures manual.

The task timeline for the project is as follows (in weeks from start of project).

	Completion Dates Weeks from Start Date
<i>PHASE 1</i>	
Interview Stakeholders	2
Develop List of Policies and Procedures	4
Establish guidelines for format and approval	4
<i>PHASE 2</i>	
Establish roles and responsibilities	5
Identify best practices	6
Develop outline and draft of policies and procedures	7
<i>PHASE 3</i>	
Write final version of policy and procedure	9
Test for application and ease of use	10

Receive approval from FAM representatives 11

PHASE 4

Conduct briefing of staff 12

Distribute policies and procedures as necessary 12

A Gantt chart has been provided that graphically depicts the proposed schedule. This schedule can be expedited if there is an internal timeline for completion of this work.

		WEEKS													
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
PHASE 1															
Interview Stakeholders			●	◆											
Develop List of Policies and Procedures					●	◆									
Establish guidelines for format and approval															
PHASE 2															
Establish roles and responsibilities															
Identify best practices															
Develop outline and draft of policies and procedures															
PHASE 3															
Write final version of policy and procedures															
Test for application usability															
Receive approval from FAM representatives															
PHASE 4															
Conduct briefing of staff															
Distribute policies and procedures as necessary															
LEGEND:															
START			●												
FINISH															◆

SECTION 3 – PAST PERFORMANCE

In the pages that follow, we have provided description of work performed and contact information for four (4) similar policies and procedures review and development projects. These projects are as follows:

- NEC
- Bank of America
- Federal Transit Administration (FTA)
- Georgia Department of Transportation (GDOT)

References for FTA and GDOT will be responsive to inquiries on our past performance. References for NEC and Bank of America will be available upon request.

NEC

For NEC, we developed the practices for an international sourcing office in the areas of purchasing and accounting.

Purchasing:

- Approval Requirements
- Bids
- Bids/Quotes: Evaluating
- Bids/Quotes: Processing
- Buying Assignments
- Change Orders
- Contracting Program
- Contracts
- Ethics/Gifts and Gratuities
- Inquiry/Requisition-Processing Priorities
- Negotiations and Negotiation Memorandums
- Price or Cost Analysis
- Purchasing Planning
- Purchase Orders: Cancellation
- Purchase Orders: Delays Documentation
- Purchase Orders: Expediting
- Purchase Orders with Check
- Quotations to User Groups
- Requests for Quotation
- Requisition—Preparation Procedures
- Returnable Material
- Supplier Performance Evaluation
- Supplier Qualification/Adding Suppliers to the Vendor List
- Supplier Visit Report

- Value Analysis

Accounting:

- Bank Applications
- Process Accounts Payable
- Process Accounts Receivable
- Refunds to End-Users
- Tracking Invoice Remittances (Collections)

Bank Of America

For Bank of America, the following policies, procedures, and work practices for strategic sourcing were established:

- How to Evaluate the Spend
- Reviewing the Current Supply Base
- Establishing Cost Savings, Delivery, and Quality Improvement Goals
- Involving Others in the Sourcing Process
- Developing the Purchasing Strategy
- Elements of the Specifications
- Aspects of Statement of Works
- The Request for Information (RFI)
- Identifying Potential Suppliers
- Aspects of the RFP
- Legal Terms and Conditions
- Establishing Evaluation Criteria
- Total Cost Analysis
- Evaluating Potential Suppliers
- Elements of the Contract
- Conducting Supplier Due Diligence
- Establishing the Negotiation Plan
- Conducting the Negotiation
- Establishing the Service Level Agreement (SLA)
- The Supplier Evaluation Program
- Supplier Improvement and Development

Federal Transit Administration (FTA)

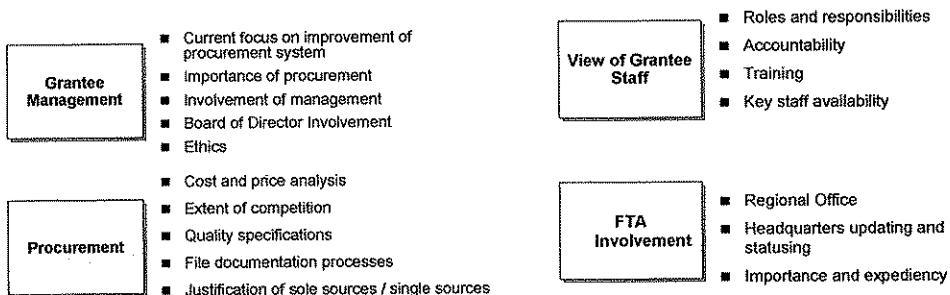
Project Name	FTA
Contract Number	DTFT60-96-C-41006; DTF60-02-D-00007; DTFT60-08-L-00010
Customer Name and Address	DOT/FTA 1200 New Jersey Ave S.E. (TAD-40), 4th Floor Washington, DC 20590
Contracting Officer Contact Information	Mr. James Harper Tel: 202-366-2500

COTR or Technical Representative Contact Information	Mr. James Muir COTR Tel: 202-366-2507 E-mail: jim.muir@fta.dot.gov
Contract Type	CPFF; FFP; T&M
Contract Amount	\$2,500,000
Period of Performance	5/22/96-11/21/01; 5/22/07 – 9/14/07; 5/1/08-4/30/12
Description of Services Provided	Conduct of Acquisition Assessment
Comparability With Proposed Project	Exactly the same services provided

Since 1996, Calyptus has completed over 60 full Procurement System Reviews (PSRs) covering task orders under three contracts with the FTA during the period of 1996 – Present. We helped create the present Assessment Guide that is posted on the FTA website. We participated in numerous Headquarter and FTA Regional Office conferences on FTA Oversight and Purchasing System compliance. We have performed special projects for FTA in a quick response mode. Calyptus accompanied the FTA Administrator to Capitol Hill to provide support to Congressional inquiries regarding one large FTA grantee. We believe that our assessment skills are second to none, because we employ qualified individuals that focus on continuous improvement, teamwork, and effective communication. We give useful recommendations and support materials; and, have sensitivity for implementation issues at FTA Grantees. We developed the procurement circular used by Lower Manhattan Recovery Office grantees in managing procurements under FTA and FEMA grants using the Common Rule and FTA Circular 4220.1E as baselines. We have also recently conducted two (2) mini PSRs for small organizations that receive FTA funding under the ARRA Section.

When conducting assessments, we evaluate the key potential issues that might surface. We evaluate the specific issues identifiable when interviewing Grantee management, reviewing procurement policies and practices, evaluating Grantee staff and working with FTA staff. The key issues and described below.

Issue Identification Problems



We have worked closely with all of FTA regions and Headquarters. In addition, we have interfaced with the Inspector General of FTA during the acquisition assessment process.

A list of representative rapid transit organizations is provided below:

FTA PSRs Done Over the Past Years		
Tri-Rail	New York City DOT	PVTA (2007)
JTA	NICTD	MARTA
TARC	Middletown, CT	SEPTA
Metro Council	City of Stamford	Broward County
SORTA	GBTA	Miami-Dade County
TANK	LRTA	Colorado DOT
OKI	MUNI	Santa Clara Valley
LOSSAN	IndyGo	San Joaquin
NCTD	MTA	City of Vallejo
LACMTA	PANYNJ	Ulster County
GCRTA	Memphis RTA	Metro North
WMATA	MBTA	LIRR
PVTA	CTA	GRTA
DDOT	Orlando Lynx	COTA
MNDOT	MATA	CTC
MBTA	RIDOT	

Georgia Department of Transportation (GDOT)

Project Name	GDOT
Contract Number	PSOIPVC090100, GDOT Project No.: MTG00-0128-00-140
Customer Name and Address	One Georgia Center, Plaza Level 600 West Peachtree Street, NE Atlanta, Georgia 30308-2214
Contract Manager	Mr. Harvey Keepler Tel: 404-631-1242 E-mail: hkeepler@dot.ga.gov
Program Transit Manager	Steve Kish Tel: (404) 631-1237 Fax: (404) 631-1935 E-mail: skish@dot.ga.gov
Contract Type	CPFF; FFP; T&M
Contract Amount	\$385,000
Period of Performance	6/10/09-5/31/10
Description of Services Provided	Transit Procedure and Process Review
Comparability With Proposed Project	Exactly the same services provided

We have recently been awarded a contract by the Georgia Department of Transportation (GDOT) to conduct Transit Procedures and Process Review for the Transit Intermodal Programs. The goal of this project is to have a more efficient and successful project and grants management system in place at GDOT by developing procedures and training to empower grantees and key stakeholders. Project and grants management processes will include grants creation/application, contracting cycle and management, financial performance, project oversight and project reporting.

For this project, Calyptus proposed eight (8) tasks, each with a key deliverable and schedule due date. Our consultants requested GDOT for their current grant programs being funded by FTA for review. We conducted interviews with key internal staff and stakeholders for an overview of the guidelines and procedures being used at GDOT. We also gathered information pertaining to the findings from previous FMO, Triennial, and State Management Review to use as part of our analysis. We collected additional information from statewide benchmarking data based on the number of staff, key responsibilities, and procurement processes from FDOT, TNDOT, and MNDOT. These benchmarking findings will be integrated into our manual development process.

Calyptus has studied GDOT's organization structure and staffing level to better understand the current demands. We are going to provide GDOT with our findings and recommendations, which may require a shift in staffing level or additional individual(s) to be staffed in order to fulfill the job requirements.

We have provided GDOT with an outline of the policies and procedures manual and are currently developing the manual based on the approved outline. A draft manual is in progress and will be sent to GDOT Intermodal Division for approval. Upon the draft approval, Calyptus will review the manual one more time prior to the final submission. Once the final manual is approved, the IT department will work together with GDOT Intermodal Division on posting it on GDOT website for easy accessible to staff and the public.

Calyptus has also proposed to provide continuing oversight management and implementation processes. These include, but not limited to the introduction and development of a communication plan and training to enable effective usage of the policies and procedures manual through pre-award to post-award processes.

All deliverables will be provided in Microsoft Word Format, and a readable CD. Vista and XP versions will be available. Training materials will be provided in Microsoft PowerPoint and Articulate pages.

SECTION 4 – FORMS AND PRICING

Calyptus is pleased to propose services for the State of West Virginia - FAM. The following forms and pricing information are provided for your reference.



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER	PAGE
WWV10860	1

ADDRESS CORRESPONDENCE TO ATTENTION OF
FRANK WHITTAKER 304-558-2316

VENDOR

RFQ COPY
 TYPE NAME/ADDRESS HERE

SHIP TO

BUREAU OF EMPLOYMENT PROGRAMS
 OFFICE OF ADMIN. SUPPORT-5302
 112 CALIFORNIA AVENUE
 CHARLESTON, WV
 25305-0112 558-2634

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS		
08/05/2009						
BID OPENING DATE: 08/10/2009			BID OPENING TIME 01:30PM			
LINE	QUANTITY	UOP	CAT NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	LS		961-20	\$129.00	400 Hours
CONSULTING (NOT OTHERWISE CLASSIFIED)						
<p>THE WEST VIRGINIA PURCHASING DIVISION, FOR THE AGENCY, WORKFORCE WEST VIRGINIA, IS SOLICITING BIDS FROM RESPONSIBLE VENDORS TO REVISE/DEVELOP POLICIES AND PROCEDURES FOR SAID DIVISION IN ACCORDANCE WITH FEDERAL DEPARTMENT OF LABOR REQUIREMENTS PURSUANT TO THE ATTACHED SPECIFICATIONS.</p> <p>ALL TECHNICAL QUESTIONS MUST BE SUBMITTED IN WRITING TO FRANK WHITTAKER IN THE PURCHASING DIVISION VIA EMAIL AT FRANK.M.WHITTAKER@WV.GOV OR VIA FAX AT 304-558-4115. DEADLINE FOR TECHNICAL QUESTIONS IS 08/18/09 AT 4:00 P ALL TTECHNICAL QUESTIONS WILL BE ADDRESSED BY ADDENDUM AFTER THE DEADLINE.</p> <p>BANKRUPTCY: IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THE STATE MAY DEEM THE CONTRACT NULL AND VOID AND TERMINATE SUCH CONTRACT WITHOUT FURTHER ORDER.</p> <p>NOTICE</p> <p>A SIGNED BID MUST BE SUBMITTED TO:</p> <p>DEPARTMENT OF ADMINISTRATION PURCHASING DIVISION BUILDING 15 2019 WASHINGTON STREET, EAST CHARLESTON, WV 25305-0130</p>						
SEE REVERSE SIDE FOR TERMS AND CONDITIONS						
SIGNATURE				TELEPHONE	617-577-0041	DATE 9/10/09
TITLE	President			FEIN	04-3287557	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

GENERAL TERMS & CONDITIONS PURCHASE ORDER/CONTRACT

1. **ACCEPTANCE:** Seller shall be bound by this order and its terms and conditions upon receipt of this order.
2. **APPLICABLE LAW:** The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.
3. **NON-FUNDING:** All services performed or goods delivered under State Purchase Orders/Contracts are to be continued for the terms of the Purchase Order/Contract, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.
4. **COMPLIANCE:** Seller shall comply with all Federal, State and local laws, regulations and ordinances including, but not limited to, the prevailing wage rates of the WV Division of Labor.
5. **MODIFICATIONS:** This writing is the parties final expression of intent. No modification of this order shall be binding unless agreed to in writing by the Buyer.
6. **ASSIGNMENT:** Neither this Order nor any monies due, or to become due hereunder may be assigned by the Seller without the Buyer's consent.
7. **WARRANTY:** The Seller expressly warrants that the goods and/or services covered by this order will: (a) conform to the specifications, drawings, samples or other description furnished or specified by the Buyer; (b) be merchantable and fit for the purpose intended; and/or (c) be free from defect in material and workmanship.
8. **CANCELLATION:** The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
9. **SHIPPING, BILLING & PRICES:** Prices are those stated in this order. No price increase will be accepted without written authority from the Buyer. All goods or services shall be shipped on or before the date specified in this Order.
10. **LATE PAYMENTS:** Payments may only be made after the delivery of goods or services. Interest may be paid on late payments in accordance with the *West Virginia Code*.
11. **TAXES:** The State of West Virginia is exempt from Federal and State taxes and will not pay or reimburse such taxes.
12. **RENEWAL:** Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
13. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, the State may deem this contract null and void, and terminate such contract without further order.
14. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Cover Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.
15. **WEST VIRGINIA ALCOHOL & DRUG-FREE WORKPLACE ACT:** If this Contract constitutes a public improvement construction contract as set forth in Article 1D, Chapter 21 of the West Virginia Code ("The West Virginia Alcohol and Drug-Free Workplace Act"), then the following language shall hereby become part of this Contract: "The contractor and its subcontractors shall implement and maintain a written drug-free workplace policy in compliance with the West Virginia Alcohol and Drug-Free Workplace Act, as set forth in Article 1D, Chapter 21 of the West Virginia Code. The contractor and its subcontractors shall provide a sworn statement in writing, under the penalties of perjury, that they maintain a valid drug-free work place policy in compliance with the West Virginia Alcohol and Drug-Free Workplace Act. It is understood and agreed that this Contract shall be cancelled by the awarding authority if the Contractor: 1) Fails to implement its drug-free workplace policy; 2) Fails to provide information regarding implementation of the contractor's drug-free workplace policy at the request of the public authority; or 3) Provides to the public authority false information regarding the contractor's drug-free workplace policy."

Rev. 5/19/09



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

**Request for
 Quotation**

RFQ NUMBER:
 WWV10860

PAGE:
 2

ADDRESS CORRESPONDENCE TO ATTENTION OF:
 FRANK WHITTAKER
 304-558-2316

RFQ COPY
 TYPE NAME/ADDRESS HERE

BUREAU OF EMPLOYMENT PROGRAMS
 OFFICE OF ADMIN. SUPPORT-5302
 112 CALIFORNIA AVENUE
 CHARLESTON, WV
 25305-0112 558-2634

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS		
08/05/2009						
BID OPENING DATE: 09/10/2009		BID OPENING TIME: 01:30PM				
LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
THE BID SHOULD CONTAIN THIS INFORMATION ON THE FACE OF THE ENVELOPE OR THE BID MAY NOT BE CONSIDERED: SEALED BID BUYER: 44 RFQ. NO.: WWV10860 BID OPENING DATE: 09/10/2009 BID OPENING TIME: 1:30 PM PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY TO CONTACT YOU REGARDING YOUR BID: Fax: 617-577-0042 CONTACT PERSON (PLEASE PRINT CLEARLY): Name: George L. Harris						
SEE REVERSE SIDE FOR TERMS AND CONDITIONS						
SIGNATURE				TELEPHONE 617-577-0041	DATE 9/10/09	
TITLE President		FAX 04-3287557		ADDRESS CHANGES TO BE NOTED ABOVE		

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
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**Request for
 Quotation**

RFQ NUMBER
 WWV10860

PAGE
 3

ADDRESS CORRESPONDENCE TO ATTENTION OF:
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BUREAU OF EMPLOYMENT PROGRAMS
 OFFICE OF ADMIN. SUPPORT-5302

112 CALIFORNIA AVENUE
 CHARLESTON, WV
 25305-0112 558-2634

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS		
08/05/2009						
BID OPENING DATE: 09/10/2009		BID OPENING TIME 01:30PM				
LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
***** THIS IS THE END OF RFQ WWV10860 ***** TOTAL:						51,600.00
SEE REVERSE SIDE FOR TERMS AND CONDITIONS						
SIGNATURE				TELEPHONE 617-577-0041	DATE 9/10/09	
TITLE President		FERN 04-3287557		ADDRESS CHANGES TO BE NOTED ABOVE		
WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'						

WorkForce West Virginia
WV-10-860
Policies and Procedures Request For Quotation

Vendor Cost Sheet

\$ 129.00 (vendor's proposed hourly rate)
multiplied by
400 hours (estimated maximum hours to complete scope of work)
equals \$ 51,600.00

Note: The 400 hours provided on this cost sheet is for calculation purposes only.

Rev. 09/08

State of West Virginia **VENDOR PREFERENCE CERTIFICATE**

Certification and application* is hereby made for Preference in accordance with *West Virginia Code*, §5A-3-37. (Does not apply to construction contracts). *West Virginia Code*, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the *West Virginia Code*. This certificate for application is to be used to request such preference. The Purchasing Division will make the determination of the Resident Vendor Preference, if applicable.

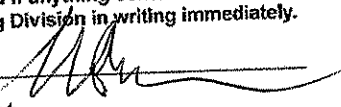
- 1. **Application is made for 2.5% resident vendor preference for the reason checked:**
 Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,
 Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or** 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,
 Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; **or**,
- 2. **Application is made for 2.5% resident vendor preference for the reason checked:**
 Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,
- 3. **Application is made for 2.5% resident vendor preference for the reason checked:**
 Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,
- 4. **Application is made for 5% resident vendor preference for the reason checked:**
 Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; **or**,
- 5. **Application is made for 3.5% resident vendor preference who is a veteran for the reason checked:**
 Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; **or**,
- 6. **Application is made for 3.5% resident vendor preference who is a veteran for the reason checked:**
 Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.

Bidder understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the requirements for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

By submission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and authorizes the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid the required business taxes, provided that such information does not contain the amounts of taxes paid nor any other information deemed by the Tax Commissioner to be confidential.

Under penalty of law for false swearing (West Virginia Code, §61-5-3), Bidder hereby certifies that this certificate is true and accurate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate changes during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.

Bidder: George L. Harris
Date: 9/10/09

Signed: 
Title: President

*Check any combination of preference consideration(s) indicated above, which you are entitled to receive.

Calyptus is based out of Cambridge, Massachusetts and has not performed work in the State of West Virginia. Hence, the Vendor Preference Certificate does not apply.

RFQ No. WWV10860STATE OF WEST VIRGINIA
Purchasing Division**PURCHASING AFFIDAVIT****VENDOR OWING A DEBT TO THE STATE:**

West Virginia Code §5A-3-10a provides that: No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owed is an amount greater than one thousand dollars in the aggregate.

PUBLIC IMPROVEMENT CONTRACTS & DRUG-FREE WORKPLACE ACT:

If this is a solicitation for a public improvement construction contract, the vendor, by its signature below, affirms that it has a written plan for a drug-free workplace policy in compliance with Article 1D, Chapter 21 of the *West Virginia Code*. The vendor must make said affirmation with its bid submission. Further, public improvement construction contract may not be awarded to a vendor who does not have a written plan for a drug-free workplace policy in compliance with Article 1D, Chapter 21 of the *West Virginia Code* and who has not submitted that plan to the appropriate contracting authority in timely fashion. For a vendor who is a subcontractor, compliance with Section 5, Article 1D, Chapter 21 of the *West Virginia Code* may take place before their work on the public improvement is begun.

ANTITRUST:

In submitting a bid to any agency for the state of West Virginia, the bidder offers and agrees that if the bid is accepted the bidder will convey, sell, assign or transfer to the state of West Virginia all rights, title and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the state of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the state of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to the bidder.

I certify that this bid is made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership or person or entity submitting a bid for the same materials, supplies, equipment or services and is in all respects fair and without collusion or fraud. I further certify that I am authorized to sign the certification on behalf of the bidder or this bid.


LICENSING:

Vendors must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agencies or political subdivision. Furthermore, the vendor must provide all necessary releases to obtain information to enable the Director or spending unit to verify that the vendor is licensed and in good standing with the above entities.

CONFIDENTIALITY:

The vendor agrees that he or she will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the agency's policies, procedures and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/noticeConfidentiality.pdf>.

Under penalty of law for false swearing (*West Virginia Code* §61-5-3), it is hereby certified that the vendor affirms and acknowledges the information in this affidavit and is in compliance with the requirements as stated.

Vendor's Name: Calypsus Consulting Group, Inc.
 Authorized Signature:  George L. Harris Date: 9/10/09
 Purchasing Affidavit (Revised 01/01/09)