



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  
 FAR226005

PAGE  
 1

ADDRESS CORRESPONDENCE TO ATTENTION OF:  
 KRISTA FERRELL  
 804-558-2596

RFQ COPY  
 TYPE NAME/ADDRESS HERE

REORDER

SHIP TO

WEST VIRGINIA ERP  
 PROJECT MANAGEMENT OFFICE  
 SUITE 301  
 1615 WASHINGTON ST E  
 CHARLESTON, WV  
 25311

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
08/22/2011				

BID OPENING DATE: 08/26/2011 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
				ADDENDUM NO. 13		
				THIS ADDENDUM IS ISSUED TO PROVIDE ANSWERS TO ALL REMAINING TECHNICAL QUESTIONS.		
				BAFO OPENING DATE REMAINS: 08/26/2011		
				BAFO OPENING TIME REMAINS: 1:30 PM		
				***** END ADDENDUM NO. 13 *****		
0001	1	LS		920-49		
				ENTERPISE RESOURCE PLANNING SOFTWARE (ERP)		
				***** THIS IS THE END OF RFQ FAR226005 ***** TOTAL:		

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE

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

**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. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125 fee.
4. 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.
5. Payment may only be made after the delivery and acceptance of goods or services.
6. Interest may be paid for late payment in accordance with the *West Virginia Code*.
7. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
8. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
9. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
10. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern the purchasing process.
11. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
12. **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.
13. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is available online at [www.state.wv.us/admin/purchase/vrc/hipaa.htm](http://www.state.wv.us/admin/purchase/vrc/hipaa.htm) and 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.
14. **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>.
15. **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, and the West Virginia Insurance Commission. 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.
16. **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 material, 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.

---

**INSTRUCTIONS TO BIDDERS**

1. Use the quotation forms provided by the Purchasing Division. Complete all sections of the quotation form.
2. 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. Unit prices shall prevail in case of discrepancy. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
4. 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
5. Communication during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited (W.Va. C.S.R. §148-1-6.6).

## Responses to Vendor Inquiries Related to the Request for Best and Final Offer for RFP # FAR226005

1. **Question** - Was a formal BAFO announcement sent to qualified vendors? We found the materials on the website but cannot locate an official communication. Just want to make sure we know who those are going to if the State sent anything out?

**Response** - Formal requests packets were sent via overnight delivery to the person listed in each vendor's cost proposal response. We understand that most companies have put forth a collaborative effort; however, each company designated in the cost proposal for a contact for correspondence concerning the cost of your proposal. We will be routing all correspondence through the person designated in the cost proposal for each company as the point of contact only.

2. **Question** – Section 1.1 indicates the vendors should complete and submit their BAFO responses by the date specified in section 1.3, which lists the BAFO opening date at August 26<sup>th</sup> at 1:30pm. If responses are due back on the 26<sup>th</sup>, is 1:30 the cutoff time? Typically we see responses due in advance of the opening, but wanted to verify with you.

**Response** - The date for the BAFO opening is listed in Addendum No. 9-BAFO Request. This date and time is August 26, 2011 at 1:30 pm.

3. **Question** – Our team has several questions on the BAFO instructions that we will be submitting in writing. Is there a cutoff date for written questions on the BAFO material?

**Response** – In order to provide adequate time for the State to respond to vendor inquiries, inquiries should be submitted by the close of business on Friday, August 19, 2011.

4. **Question** – The BAFO cover sheet requests the name and fax number of a CGI contact person for BAFO clarifications – is this due back as part of our BAFO response, or would you like that information now?

**Response** – This information should be included as a part of your BAFO response.

5. **Question** - Today I received the BAFO via fed ex for the ERP project (fax attached). Did you send out an email notice on August 3rd that I may have missed, or was it done just through the mail?

**Response** - Formal requests packets were sent via overnight delivery to the person listed in each vendor's cost proposal response. We understand that most companies have put forth a collaborative effort; however, each company designated in the cost proposal for a contact for correspondence concerning the cost of your proposal. We will be routing all correspondence through the person designated in the cost proposal for each company as the point of contact only.

6. **Question** - Section 3.1 of the BAFO Request document states “Vendors should use the table format provided below for their responses to the Technical Proposal portion of their BAFO referencing the BAFO section and the section of their Technical Proposal being addressed”. Please clarify what is to be submitted as part of the BAFO response with respect to Section 3.1. Is the State requesting that we submit both the Technical Clarification Response Table and a revised Technical Proposal (in its entirety), or just the Technical Clarification Response Table?

**Response** – The State does not intend for Vendors to submit a revised Technical Proposal in its entirety. Please submit responses to the Technical Proposal portion of the BAFO as requested in Section 3.1 of the Request for BAFO.

7. **Question** - One of our resources found an error in the Staffing Plan by Function Cost Schedule. The formula in cell F9 is incorrect and our team is having difficulty completing the model. What do we need to do to resolve this problem?

**Responses to Vendor Inquiries Related to the Request for Best and Final Offer for RFP # FAR226005**

**Response** – An update to the Cost Schedules is being provided to correct this error in cell F9 of the Staffing Plan by Function Schedule.

8. **Question** - Our Labor Rate Schedule presented an all-inclusive blended rate by personnel category which assumed tasks to be performed in the most cost-effective location balancing the State's desire to ensure on-site presence, knowledge transfer, and data security.

The State's BAFO clarification mandates changes to these initial work location assumptions, which requires a change to the proposed rate. We would like to adjust this schedule as appropriate to specify each personnel category rate BY WORK LOCATION, and would like to verify that this would be acceptable to the State given that some rates would be higher/lower than the originally proposed blended rate.

**Response** – This question was withdrawn by the submitter, so no response has been provided.

9. **Question** - Please identify the acceptable work locations for development and unit testing of business intelligence reports.

**Response** – Acceptable Vendor work locations for development and unit testing of business intelligence reports would be the same as development and unit testing of customizations and interfaces including on-site, off-site WV, off-site domestic, and off-site other.

10. **Question** -The table format provided by the State for responses to the BAFO Technical Proposal includes a column for the "Proposal Reference".

Given that the BAFO response becomes part of the contract in front of our original response and we wish to avoid ambiguity as to what we are finally offering, can the State please clarify how detailed these references need to be? Should we reference the primary section of the proposal that is being updated, or does this column need to reference every section of the proposal that relates to the topic being addressed?

**Response** – Vendors may reference the primary section of the proposal that is being updated in the column Proposal Reference. Where appropriate to avoid ambiguity, Vendors may also reference all sections of the proposal that are changed by the BAFO response.

11. **Question** -These sections (2.2.3 Proposed Staff and 2.2.11 Statement of Work Update) request vendors to provide updated resumes and an updated Statement of Work, respectively. Please confirm that these materials can be provided as appendices to our BAFO response.

**Response** – Vendors may submit resumes and an updated Statement of Work as appendices to their BAFO response.

12. **Question** - The clarification states that TRX is the State's preference for Online Travel Booking, but that the State wants to implement the ERP's solution for Travel Management.

Does this mean that the State plans to stop using DATABASICS for Reimbursement processing?

Furthermore, could the State please clarify what is the scope of "Travel Management" as the term is used here, and which of the RFP sections it includes? (e.g. is it all of "Employee Reimbursement" and "(Travel) Reporting", but not "Online Travel Booking"?)

**Response** – The State plans to leverage as much of the ERP system functionality as possible to replace as many of its disparate legacy systems as feasible. From our review of the proposals and software demonstrations it does not appear that any of the proposed ERP systems provide for Online Travel Booking. It appears that the ERP systems link to other Online Booking Services. The State has programmed many of its Travel Booking business rules into TRX (preferred hotels,

**Responses to Vendor Inquiries Related to the Request for Best and Final Offer for RFP # FAR226005**

airlines, car rental agencies, negotiated rates, reimbursement caps, etc.). The State has decided that it is in the State's best interest to continue the use of TRX as the State's Online Travel Booking system.

It also appeared based on our review of the proposals and software demonstrations that the proposed ERP systems provided the functionality required to perform the Travel and Expense reimbursement functions. Typically the Travel Management function includes employee travel advance and reimbursement, travel reporting, per diem rates, and mileage rates. Travel Management includes business rules that calculate per diem rates for conferences where some meals are included calculate mileage reimbursement based on number of miles from point to point, etc. That said, if a Vendor believes that the proposed ERP system does not adequately address the State's travel management requirements, then it would be appropriate to propose a solution that does address the State's travel management requirements.

- 13. Question** - Is the intent of this clarification (2.2.14.7 Assumptions Relating to Capturing Data from Document Images) to verify that vendors are consistent between their response to system-wide requirement 718089 ("Provide the ability to recognize, interpret, and store in the system optimal character recognition (OCR) information") and their proposed solution regarding capturing data from document images?

Are there other functional requirements that the State is referring to with this clarification?

Is the State referencing existing functionality currently implemented with the requirements related to OCR?

**Response** – The purpose of this clarification is to ensure that proposed Vendor solutions fully meet all Optical Character Recognition (OCR), Intelligent Character Recognition (ICR) and Optical Mark Recognition (OMR) requirements contained in Appendix M of the RFP. These requirements include but are not limited to StmtID # 705576 and StmtID #718089.

- 14. Question** - The State has indicated that you do not "intend to implement, as part of the initial phases of the ERP system, the specifications related to Cashier functionality...."

Please confirm that it is the State's intention to "remove these specifications from the scope of the ERP system", such that vendors should remove all licenses and services initially proposed to address these requirements?

**Response** – The organizations within the state government that receive cash, checks, and credit card payments at the point of sale currently have systems and procedures in place to deal with these transactions. Given the magnitude and complexity of the functionality included in the balance of the ERP project scope, the State has decided to remove the cashiering functionality from the scope of the ERP project. As such vendors should remove software licenses, maintenance agreements, and services that address the cashiering requirements.

- 15. Question** - Does the State require the vendor to operate (i.e. manage) and host the development environments at vendor's data center, or is it sufficient for vendor to operate (i.e. manage) the development environments at the State's data center in the specified time frame?

Does the State require new hardware to be purchased for development environments hosted at the State data center, or would it entertain the option of re-using vendor-hosted development-environment hardware?

**Response** – The State expects the Vendor to operate and host the development environment at a Vendor data center through three months after the Core Financials/Procurement Phase (Phase 1)

## Responses to Vendor Inquiries Related to the Request for Best and Final Offer for RFP # FAR226005

Go-Live. A primary goal of the hosted development environment was to reduce project risk by removing the need to quickly stand-up infrastructure in the State environment. As a result, the State does not want the Vendor to operate the development environment at the State's data center during this period.

The State does not expect the Vendor to necessarily purchase new hardware to support the State's hosted development environment in a Vendor data center. The State is open to whatever solution the Vendor believes is the most efficient and economical approach for performing the hosting in the Vendor data center, including the use of virtual servers on existing physical servers the Vendor may already have in place to support its own operations or other clients, etc. In terms of establishing the development environment in the State's data center, however, the State would expect the Vendor to acquire on behalf of the State at the time the production and development environment is established the most current/latest technology available at the time of the purchase consistent with the Vendor's recommended technical configuration that can be acquired for the dollars allocated for this purpose in the Vendor's cost proposal.

16. **Question** – Will the State please confirm which of the State's existing document management systems contain documents that reference open grants, projects or contracts?

How are these links maintained in the legacy system?

Would providing a reference link from the open grant, project or contract document be sufficient for addressing this requirement?

Does the State require document reference conversion functionality to be limited to only open grants, projects or contracts, or does it require this functionality to be broadly available to other types of open transactions?

Are the links to document management systems currently implemented in FIMS or is this new functionality? If this is new functionality, can we get a list of the mapping between items (grants, projects, contracts, etc ), document management systems, and the agencies using them?

**Response** – Document management systems operated by several different State agencies currently manage documentation related to open grants, projects and contracts. The State is not able to provide a complete inventory at this time. However, these agency systems are operated in one of the third party document management solutions with which it is expected the ERP will be required to integrate. These document management applications are identified in Section 2.9.12 of the RFP and in the General and Technical Requirements in Appendix M (StmtID # 718140 – # 718147).

No document management systems are currently directly linked to FIMS or to WVDOT's REMIS system for viewing documentation related to grants, projects or contracts. The ability to link the ERP system with various agency document management systems to view documents related to a transaction or master data item is a capability which is expected for the new ERP system. While the State expects the specific integration approach between the ERP and document management systems to be finalized during system design, the State, in general terms, would expect that a user will be able to either click on or select a specific document link or a "View Image" button or control within the ERP application and this would open the user's agency document imaging system in another window and display the document related to the transaction or master data item being viewed in the ERP.

**Responses to Vendor Inquiries Related to the Request for Best and Final Offer for RFP # FAR226005**

- 17. Question** - This clarification (2.1.4 PEIA Benefits Administration) indicates that the ERP system should support PEIA benefits administration for State employees, but not for non-state customers or retirees. Based on this, can the State respond to the following:

Will all State employees be fully administered in the ERP system and no longer utilize any features and functions currently provided by the BAS system as listed in section 2.9.3 of the RFP?

If State employees are no longer going to utilize any functionality current provided by the BAS, then is the State expecting that all primary BAS functions are replicated in the ERP system?

Can the State please clarify what interfaces would still be necessary between the ERP system and BAS in order to fully support all employee and non-employee groups?

**Response** – The State has decided to retain BAS for the administration of insurance related health and life plans. At minimum, BAS will be used to administer benefits for the non-employed population. The CRM component of BAS will continue to track correspondence and communications with all participants so BAS will, in all likelihood, retain both types of participant records. All external interfaces coming into (contributions, premium payments) and going out of BAS (premium bills and Third Party Administrator) will remain in place. The State recognizes that there may be substantial efficiencies gained from administering their benefit plans for all participants within the ERP solution, however, for now the State has elected to utilize ERP in this capacity for the State employed portion of the insured population only.

This approach will require some duplication of functionality such as eligibility rules, premium tables, open enrollment, qualifying event change processing and other benefit administration functions. However, this approach positions the State to consider bringing the non-employed participants into the ERP environment at some point in the future. Currently, billing and payment receivables accounting for non-employees occurs in MS Dynamics (formerly Great Plains) as operated by PEIA. At minimum, receivable and payment summary accounting entries will have to be made in the ERP GL. If the State intends to replace MS Dynamics the detailed accounting for billing and payment processing for the non-employed population will need to be recorded in the ERP Accounts Receivable module. As currently envisioned, BAS will need to interface with the ERP's GL (or AR) and Payroll modules. The State recognizes that once design sessions are initiated the State may discover a more practical and economic way to solve the business problem. Many of the problems in the current environment are directly related to separate disparate system and the lack of an integrated solution. So long term, to the extent ERP can alleviate some of the challenges associated with the current environment, the State would be interested in migrating off BAS.

- 18. Question** - Can the State please clarify the BAFO scoring process (evaluation criteria and associated points)? Will you be re-scoring the original technical and cost proposals, or will this be a separate evaluation process?

**Response** – The BAFO submissions represent amendments to the original proposals, so the State will follow the scoring criteria outlined in Section 4 of the RFP and update the scores as appropriate. Due to the nature Cost Proposal, it will be necessary for the State to re-score each Vendor's Cost Proposal.

- 19. Question** - The Staffing Plan by Position Schedule in our Cost Proposal presents a single rate for each of the positions identified in that Schedule (with the exception of Project Management and third party labor). These rates by position were derived based on an allocation of tasks to be performed to the most cost-effective locations, balancing the State's desire to ensure on-site

## Responses to Vendor Inquiries Related to the Request for Best and Final Offer for RFP # FAR226005

presence, knowledge transfer, and data security, and at our discretion given that there was no work location requirement specified in the State's RFP.

Section 2.2.6 of the State's BAFO clarification mandates that specific types of work be performed in specific locations. That section goes on to state, "Vendors should make any necessary adjustments to their Technical Proposal and Cost Proposal to reflect this clarification." The clarification regarding work location requires us to reallocate our work effort in order to comply. This work reallocation will result in different rates by position because different work locations are now required.

However, Section 2.2.12 of the State's BAFO clarification states that Vendors cannot increase their proposed rate by position in their BAFO responses. Given this contradiction, we propose to adjust our Staffing Plan by Position Schedule as necessary to identify rates for each position by work location. Please verify that this approach would be acceptable to the State.

**Response** – While the State's intent was for Vendor's to reduce their rates in their BAFO, the State also recognized that the clarification provided in Section 2.2.6 of the Request for BAFO had the potential to change a Vendor's staffing related costs. Therefore, the clarification language provided in Section 2.2.12 of the Request for BAFO was "may not" instead of one of the mandatory terms referenced in Section 2.5 of the RFP. Regardless, to facilitate comparison between the original Cost Proposal and the BAFO Cost Proposal, Vendors should use the same basis for their proposed rates. If a Vendor used a "blended" rate approach for their original Cost Proposal, then the Vendor should propose a "blended" rate approach for their BAFO Cost Proposal. Similarly, if a Vendor proposed individual rates in their original Cost Proposal, then the Vendor should propose individual rates in their BAFO Cost Proposal.