

**Request for Proposal  
for  
A New Line of Business Solution**



**Issued by:**

**West Virginia Consolidated Public Retirement Board**

**RFP CPR12026**

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**September 28, 2012**

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## SECTION 1 GENERAL INFORMATION

### 1.1 PURPOSE

The West Virginia Department of Administration, Purchasing Division (hereinafter referred to as the “Purchasing Division”) is soliciting proposals pursuant to **West Virginia Code §5A-3-10b** for the West Virginia Consolidated Public Retirement Board (hereinafter referred to as the “Agency” or “WVCPRB”) to provide an electronic core line of business (LOB) solution as later more fully described in this Request For Proposal.

### 1.2 VENDOR BOUND BY TERMS

By signing and submitting its proposal, the successful Vendor agrees to be bound by all the terms contained in this Request for Proposal (“RFP”).

An RFP is generally used for the procurement of services in situations where price is not the sole determining factor and the award will be based on a combination of cost and technical factors (Best Value). Through its proposal, the bidder offers a solution to the objectives, problem, or need specified in the RFP, and defines how it intends to meet (or exceed) the RFP requirements.

The proposal should remain valid for at least one hundred eighty (180) days from the proposal receipt deadline.

### 1.3 SCHEDULE OF EVENTS

The dates provided in Table 1 below are approximate and are for the period up to the project start date following contract award.

WVCPRB reserves the right to change the calendar of events or issue Addenda to the RFP at any time. WVCPRB also reserves the right to cancel or reissue the RFP. Vendors should check the WVCPRB Website from time to time as WVCPRB intends to post any amendments or other RFP related materials to that site.

**Table 1 Procurement Schedule**

Date	Activity
9/28/2012	RFP released
10/12/2012	Questions to be reviewed at the pre-bid conference are due
10/17/2012	Mandatory pre-bid conference
10/19/2012	Additional vendor questions due by close of business
10/26/2012	Responses to vendor questions from pre-bid conference and previously submitted questions are provided
11/07/2012	Deadline for receipt of proposals
12/20/2013	Script for demonstrations sent



Date	Activity
Week of 1/28/2013	Hold scripted product demonstrations / presentations
Week of 2/4/2013	Customer site visits
2/22/2013	WVCPRB technical evaluation complete
2/27/2013	WVCPRB IT subcommittee and Board approval of evaluation
2/28/2013 through 3/13/2013	Purchasing Division reviews technical scores
3/14/2013	Purchasing Division Opens Cost Bids
3/20/2013	WVCPRB cost evaluation complete
3/21/2013 through 3/27/2013	Purchasing Division reviews cost scores
3/28/2013 through 4/3/2013	Best and Final Offer (BAFO) solicited and due
4/10/2013	WVCPRB makes final recommendation based on technical, cost scores, & BAFO
4/10/2013 through 4/16/2013	Purchasing Division reviews BAFO and final recommendation
4/17/2013 through 5/14/2013	Chief Technology Officer (CTO) review of WVCPRB recommendation
5/15/2013 through 6/11/2013	Contract Negotiations
7/16/2013	Purchasing Division review of procurement and approval
7/30/2013	WV Attorney General review and approval of contract
7/31/2013	Project starts



## SECTION 2 INSTRUCTIONS TO VENDORS SUBMITTING BIDS

### 2.1 REVIEW DOCUMENTS THOROUGHLY

The attached documents contain a solicitation for bids. Please read these instructions and all documents attached in their entirety. These instructions provide critical information about requirements that if overlooked could lead to disqualification of a Vendor's bid. All bids must be submitted in accordance with the provisions contained in these instructions and the Solicitation. Failure to do so may result in disqualification of Vendor's bid.

### 2.2 MANDATORY TERMS

The Solicitation may contain mandatory provisions identified by the use of the words "must," "will," and "shall." Failure to comply with a mandatory term in the Solicitation will result in bid disqualification.

### 2.3 PREBID MEETING

The item identified below shall apply to this Solicitation.

A pre-bid meeting will not be held prior to bid opening.

A **NON-MANDATORY PRE-BID** meeting will be held at the following place and time:

A **MANDATORY PRE-BID** meeting will be held at the following place and time:

[DATE and TIME] West Virginia Consolidated Public Retirement Board, 4101 MacCorkle Ave SE, Charleston WV.

All Vendors submitting a bid must attend the mandatory pre-bid meeting. Failure to attend the mandatory pre-bid meeting shall result in disqualification of the Vendor's bid. No one person attending the pre-bid meeting may represent more than one Vendor.

In addition to the pre-bid conference, a pre-proposal site tour will be held on that same date and location. A tour of the WVCPRB facility will commence at 9:30 AM and the pre-bid conference will begin at 10:00 AM. Attendance is limited to three individuals from each vendor's organization.

Vendors attending the pre-bid conference will be required to sign a non-disclosure agreement (NDA) and only then will receive copies of that material withheld from the RFP for reasons of confidentiality, e.g., Exhibit 14 WVCPRB Disaster Recovery Plan (DRP). The NDA appears as Exhibit 2 Sample of Non-Disclosure Document in Appendix E.

An attendance sheet provided at the pre-bid meeting shall serve as the official document verifying attendance. The State will not accept any other form of proof or documentation to verify attendance. Any person attending the pre-bid meeting on behalf of a Vendor must list on the attendance sheet his or her name and the name of the Vendor he or she is representing. Additionally, the person attending the pre-bid meeting should include the Vendor's E-Mail address, phone number, and Fax number on the attendance sheet. It is the Vendor's responsibility to locate the attendance sheet and provide the required information. Failure to complete the attendance sheet as required may result in disqualification of the vendor's bid.

All Vendors should arrive prior to the starting time for the pre-bid. Vendors who arrive after the starting time but prior to the end of the pre-bid will be permitted to sign in, but are charged with knowing all matters discussed at the pre-bid.

Questions submitted at least five business days prior to a scheduled pre-bid will be discussed at the pre-bid meeting if possible. Any discussions or answers to questions at the pre-bid meeting are preliminary in nature and are non-binding. Official and binding answers to questions will be published in a written addendum to the Solicitation prior to bid opening.





**Vendors should ask any assumption-related questions through the pre-bid question process or at the pre-bid conference.**

#### **2.4 VENDOR QUESTION DEADLINE**

Vendors may submit questions relating to this Solicitation to the Purchasing Division. Questions must be submitted in writing. All questions must be submitted on or before the date listed below and to the address listed below in order to be considered. A written response will be published in a Solicitation addendum if a response is possible and appropriate. Non-written discussions, conversations, or questions and answers regarding this Solicitation are preliminary in nature and are non-binding.

Question Submission Deadline: [DATE]

Submit Questions to: Krista Ferrell

2019 Washington Street, East  
P.O. Box 50130  
Charleston, WV 25305  
Fax: (304) 558-4115  
Email: Krista.S.Ferrell@wv.gov

Questions should be submitted as a Word document using the format specified in Table 2 below. The closing date for questions is as indicated in Table 1 Procurement Schedule.

**Table 2 Format for Submission of Vendor Questions**

<b>Nbr</b>	<b>RFP Section</b>	<b>RFP Page</b>	<b>Question</b>
Q1			
A1			
Q2			
A2			

**Vendors should ask any assumption-related questions through the pre-bid question process or at the pre-bid conference.**

#### **2.5 VERBAL COMMUNICATION**

Any verbal communication between the Vendor and any State personnel is not binding, including that made at the mandatory pre-bid conference. Only information issued in writing and added to the Solicitation by an official written addendum by the Purchasing Division is binding.

#### **2.6 BID SUBMISSION**

All bids must be signed and delivered by the Vendor to the Purchasing Division at the address listed below on or before the date and time of the bid opening. Any bid received by the Purchasing Division staff is considered to be in the possession of the Purchasing Division and will not be returned for any reason. The bid delivery address is:

Department of Administration, Purchasing Division



2019 Washington Street East  
 P.O. Box 50130,  
 Charleston, WV 25305-0130

The bid should contain the information listed below on the face of the envelope or the bid may not be considered:

SEALED BID  
 BUYER: Krista Ferrell  
 SOLICITATION NO.: CPR12026  
 BID OPENING DATE: [TO BE DETERMINED]  
 BID OPENING TIME: 1:30 PM  
 FAX NUMBER: (304) 558-4115

In the event that Vendor is responding to a request for proposal, the Vendor shall submit one original technical and one original cost proposal plus twelve convenience hardcopies **and** twelve convenience CD copies of each to the Purchasing Division at the address shown above. Additionally, the Vendor should identify the bid type as either a technical or cost proposal on the face of each bid envelope submitted in response to a request for proposal as follows:

BID TYPE:      Technical  
                    Cost

The technical proposal should be in MS Word format; the cost proposal should include the completed cost spreadsheets specified in Section 5.3.2 of this RFP (although they may be accompanied by PDF versions of the same material).

All printed copies of proposals and the electronic version provided on CDs should be clearly labeled so as to be easily identifiable with the vendor's submission. The Word and Excel files should be provided in an "unlocked" form which allows WVCPRB to insert comments, "cut-and-paste" and annotate the documents and spreadsheets with comments and revisions during its evaluation. Finally, we point out that WVCPRB's internal review of the electronic version of the response is greatly facilitated if the proposal is a single MS Word document.

WVCPRB recognizes that vendors may wish to copy the required cost spreadsheets into their cost proposals in picture format (to ensure that bid information cannot be altered). While this approach is acceptable, the vendor is also to provide the source Excel spreadsheets (unprotected) as .xls files on the CDs containing the cost proposal.

Vendors should note that the official, original proposals remain in the possession of the Purchasing Division.

## 2.7 BID OPENING

Bids submitted in response to this Solicitation will be opened at the location identified below on the date and time listed below. Delivery of a bid after the bid opening date and time will result in bid disqualification. For purposes of this Solicitation, a bid is considered delivered when time stamped by the official Purchasing Division time clock.

**Bid Opening Date and Time:     [DATE] at 1:30 PM**



Bid Opening Location: Department of Administration, Purchasing Division  
2019 Washington Street East  
P.O. Box 50130,  
Charleston, WV 25305-0130

## **2.8 ADDENDUM ACKNOWLEDGEMENT**

Changes or revisions to this Solicitation will be made by an official written addendum issued by the Purchasing Division. Vendor should acknowledge receipt of all addenda issued with this Solicitation by completing an Addendum Acknowledgment Form, a copy of which is included herewith. Failure to acknowledge addenda may result in bid disqualification. The Addendum Acknowledgement should be submitted with the bid to expedite document processing.

## **2.9 BID FORMATTING**

Vendor should type or electronically enter the information onto its bid to prevent errors in the evaluation. Failure to type or electronically enter the information may result in bid disqualification.



## SECTION 3 GENERAL TERMS AND CONDITIONS

### 3.1 CONTRACTUAL AGREEMENT

Issuance of a Purchase Order signed by the Purchasing Division Director, or his designee, and approved as to form by the Attorney General's office constitutes acceptance of this Contract made by and between the State of West Virginia and the Vendor. Vendor's signature on its bid signifies Vendor's agreement to be bound by and accept the terms and conditions contained in this Contract.

### 3.2 DEFINITIONS

As used in this Solicitation / Contract, the following terms shall have the meanings attributed to them below. Additional definitions may be found in the specifications included with this Solicitation / Contract.

#### 3.2.1 "AGENCY" OR "AGENCIES"

The agency, board, commission, or other entity of the State of West Virginia that is identified on the first page of the Solicitation or any other public entity seeking to procure goods or services under this Contract.

#### 3.2.2 "CONTRACT"

The binding agreement that is entered into between the State and the Vendor to provide the goods and services requested in the Solicitation.

#### 3.2.3 "DIRECTOR"

The Director of the West Virginia Department of Administration, Purchasing Division.

#### 3.2.4 "PURCHASING DIVISION"

The West Virginia Department of Administration, Purchasing Division.

#### 3.2.5 "PURCHASE ORDER"

The document signed by the Agency and the Purchasing Division, and approved as to form by the Attorney General, that identifies the Vendor as the successful bidder and Contract holder.

#### 3.2.6 "SOLICITATION"

The official solicitation published by the Purchasing Division and identified by number on the first page thereof.

#### 3.2.7 "STATE"

The State of West Virginia and/or any of its agencies, commissions, boards, etc. as context requires.

#### 3.2.8 "VENDOR" OR "VENDORS"

Any entity submitting a bid in response to the Solicitation, the entity that has been selected as the lowest responsible bidder, or the entity that has been awarded the Contract as context requires.

### 3.3 CONTRACT TERM; RENEWAL; EXTENSION

The term of this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below:

Term Contract

**Initial Contract Term:** This Contract becomes effective on [TBD] and extends for a period of two year(s).



**Renewal Term:** This Contract may be renewed upon the mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). Any request for renewal must be submitted to the Purchasing Division Director thirty (30) days prior to the expiration date of the initial contract term or appropriate renewal term. A Contract renewal shall be in accordance with the terms and conditions of the original contract. Renewal of this Contract is limited to four successive one (1) year periods. Automatic renewal of this Contract is prohibited. Notwithstanding the foregoing, Purchasing Division approval is not required on agency delegated or exempt purchases. Attorney General approval may be required for vendor terms and conditions.

**Reasonable Time Extension:** At the sole discretion of the Purchasing Division Director, and with approval from the Attorney General's office (Attorney General approval is as to form only), this Contract may be extended for a reasonable time after the initial Contract term or after any renewal term as may be necessary to obtain a new contract or renew this Contract. Any reasonable time extension shall not exceed twelve (12) months. Vendor may avoid a reasonable time extension by providing the Purchasing Division Director with written notice of Vendor's desire to terminate this Contract 90 days prior to the expiration of the then current term. During any reasonable time extension period, the Vendor may terminate this Contract for any reason upon giving the Purchasing Division Director 90 days written notice. Automatic extension of this Contract is prohibited. Notwithstanding the foregoing, Purchasing Division approval is not required on agency delegated or exempt purchases, but Attorney General approval may be required.

The State may terminate any contract resulting from this RFP immediately at any time the Vendor fails to carry out its responsibilities or to make substantial progress under the terms of this RFP and resulting contract. The State shall provide the Vendor with advance notice of performance conditions which are endangering the contract's continuation. If after such notice the Vendor fails to remedy the conditions contained in the notice, within the time period contained in the notice, the State shall issue the Vendor an order to cease and desist any and all work immediately. The State shall be obligated only for services rendered and accepted prior to the date of the notice of termination.

The contract may also be terminated by the State with thirty (30) days prior notice.

**Fixed Period Contract:** This Contract becomes effective upon Vendor's receipt of the notice to proceed and must be completed within \_\_\_\_\_ days.

**One Time Purchase:** The term of this Contract shall run for one year from the date the Purchase Order is issued or from the date the Purchase Order is issued until all of the goods contracted for have been delivered, whichever is shorter.

**Other:** See attached.

### 3.4 NOTICE TO PROCEED

Vendor shall begin performance of this Contract immediately upon receiving notice to proceed unless otherwise instructed by the Agency. Unless otherwise specified, the fully executed Purchase Order will be considered notice to proceed

### 3.5 QUANTITIES

The quantities required under this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below.



**Open End Contract:** Quantities listed in this Solicitation are approximations only, based on estimates supplied by the Agency. It is understood and agreed that the Contract shall cover the quantities actually ordered for delivery during the term of the Contract, whether more or less than the quantities shown.

**Service:** The scope of the service to be provided will be more clearly defined in the specifications included herewith.

**Combined Service and Goods:** The scope of the service and deliverable goods to be provided will be more clearly defined in the specifications included herewith.

**One Time Purchase:** This Contract is for the purchase of a set quantity of goods that are identified in the specifications included herewith. Once those items have been delivered, no additional goods may be procured under this Contract without an appropriate change order approved by the Vendor, Agency, Purchasing Division, and Attorney General's office.

### 3.6 PRICING

The pricing set forth herein is firm for the life of the Contract, unless specified elsewhere within this Solicitation/Contract by the State. A Vendor's inclusion of price adjustment provisions in its bid, without an express authorization from the State in the Solicitation to do so, may result in bid disqualification.

### 3.7 EMERGENCY PURCHASES

The Purchasing Division Director may authorize the Agency to purchase goods or services in the open market that Vendor would otherwise provide under this Contract if those goods or services are for immediate or expedited delivery in an emergency. Emergencies shall include, but are not limited to, delays in transportation or an unanticipated increase in the volume of work. An emergency purchase in the open market, approved by the Purchasing Division Director, shall not constitute a breach of this Contract and shall not entitle the Vendor to any form of compensation or damages. This provision does not excuse the State from fulfilling its obligations under a One Time Purchase contract.

### 3.8 REQUIRED DOCUMENTS

All of the items checked below must be provided to the Purchasing Division by the Vendor as specified below.

**BID BOND:** All Vendors shall furnish a bid bond in the amount of five percent (5%) of the total amount of the bid protecting the State of West Virginia. The bid bond must be submitted with the bid.

**PERFORMANCE BOND:** The apparent successful Vendor shall provide a performance bond in the amount of . The performance bond must be issued and received by the Purchasing Division prior to Contract award. On construction contracts, the performance bond must be 100% of the Contract value.

**LABOR/MATERIAL PAYMENT BOND:** The apparent successful Vendor shall provide a labor/material payment bond in the amount of 100% of the Contract value. The labor/material payment bond must be issued and delivered to the Purchasing Division prior to Contract award.

In lieu of the Bid Bond, Performance Bond, and Labor/Material Payment Bond, the Vendor may provide certified checks, cashier's checks, or irrevocable letters of credit. Any certified check, cashier's check, or irrevocable letter of credit provided in lieu of a bond must be of the same amount and delivered on the same schedule as the bond it replaces. A letter of credit submitted in lieu of a performance and labor/material payment bond will only be allowed for projects under \$100,000. Personal or business checks are not acceptable.



**MAINTENANCE BOND:** The apparent successful Vendor shall provide a two (2) year maintenance bond covering the roofing system. The maintenance bond must be issued and delivered to the Purchasing Division prior to Contract award.

**WORKERS' COMPENSATION INSURANCE:** The apparent successful Vendor shall have appropriate workers' compensation insurance and shall provide proof thereof upon request.

**INSURANCE:** The apparent successful Vendor shall furnish proof of the following insurance prior to Contract award:

**Commercial General Liability Insurance** – The minimum limits of coverage of such insurance will be \$1,000,000 per person and \$2,000,000 per occurrence for personal and bodily injury and \$500,000 for property damages.

**Unemployment Insurance** – Must meet the statutory requirements of Chapter 21A of the West Virginia Code, which can be found at <http://www.legis.state.wv.us/WVCODE/Code.cfm> and the federal Social Security Act of 1935 as amended

**Liability, Malpractice, and/or Errors and Omissions Insurance** – The contractor shall maintain malpractice and/or an errors and omissions insurance policy in the amount of at least \$2,000,000. Additionally, the contractor shall maintain adequate business insurance to include an umbrella liability policy of at least \$5,000,000 total. Coverage under these policies must include protection from the fraudulent conduct and breach of fiduciary responsibility of the contractor.

The apparent successful Vendor shall also furnish proof of any additional insurance requirements contained in the specifications prior to Contract award regardless of whether or not that insurance requirement is listed above.

**LICENSE(S) / CERTIFICATIONS / PERMITS:** In addition to anything required under the Section entitled Licensing, of the General Terms and Conditions, the apparent successful Vendor shall furnish proof of the following licenses, certifications, and/or permits prior to Contract award, in a form acceptable to the Purchasing Division.

The apparent successful Vendor shall also furnish proof of any additional licenses or certifications contained in the specifications prior to Contract award regardless of whether or not that requirement is listed above.

### **3.9 LITIGATION BOND**

The Director reserves the right to require any Vendor that files a protest of an award to submit a litigation bond in the amount equal to one percent of the lowest bid submitted or \$5,000, whichever is greater. The entire amount of the bond shall be forfeited if the hearing officer determines that the protest was filed for frivolous or improper purpose, including but not limited to, the purpose of harassing, causing unnecessary delay, or needless expense for the Agency. All litigation bonds shall be made payable to the Purchasing Division. In lieu of a bond, the protester may submit a cashier's check or certified check payable to the Purchasing Division. Cashier's or certified checks will be deposited with and held by the State Treasurer's office. If it is determined that the protest has not been filed for frivolous or improper purpose, the bond or deposit shall be returned in its entirety.

### **3.10 ALTERNATES**

Any model, brand, or specification listed herein establishes the acceptable level of quality only and is not intended to reflect a preference for, or in any way favor, a particular brand or vendor. Vendors may bid alternates to a listed model or brand provided that the alternate is at least equal to the model or brand and complies with the required specifications. The equality of any alternate being bid shall be determined by the State at its sole discretion. Any Vendor bidding an alternate model or brand should clearly identify the alternate items in its bid and should include manufacturer's specifications, industry literature, and/or



any other relevant documentation demonstrating the equality of the alternate items. Failure to provide information for alternate items may be grounds for rejection of a Vendor's bid.

### **3.11 EXCEPTIONS AND CLARIFICATIONS**

The Solicitation contains the specifications that shall form the basis of a contractual agreement. Vendor shall clearly mark any exceptions, clarifications, or other proposed modifications in its bid. Exceptions to, clarifications of, or modifications of a requirement or term and condition of the Solicitation may result in bid disqualification.

Further guidance regarding exceptions, clarifications, or other proposal modifications is included in Section 5.3.1.3 of the RFP.

### **3.12 LIQUIDATED DAMAGES**

The vendor shall pay liquidated damages in the amount (N/A) for (N/A). This clause shall in no way be considered exclusive and shall not limit the State or Agency's right to pursue any other remedy.

### **3.13 ACCEPTANCE/REJECTION**

The State may accept or reject any bid in whole, or in part. Vendor's signature on its bid signifies acceptance of the terms and conditions contained in the Solicitation and Vendor agrees to be bound by the terms of the Contract, as reflected in the Purchase Order, upon receipt.

### **3.14 REGISTRATION**

Prior to Contract award, the apparent successful Vendor must be properly registered with the West Virginia Purchasing Division and must have paid the \$125 fee if applicable.

### **3.15 COMMUNICATION LIMITS**

In accordance with West Virginia Code of State Rules §148-1-6.6, communication with the State of West Virginia or any of its employees regarding this Solicitation during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited without prior Purchasing Division approval. Purchasing Division approval for such communication is implied for all agency delegated and exempt purchases.

### **3.16 FUNDING**

This Contract shall continue for the term stated herein, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise made available, this Contract becomes void and of no effect beginning on July 1 of the fiscal year for which funding has not been appropriated or otherwise made available.

### **3.17 PAYMENT**

Payment in advance is prohibited under this Contract. Payment may only be made after the delivery and acceptance of goods or services. The Vendor shall submit invoices, in arrears, to the Agency at the address on the face of the purchase order labeled "Invoice To."

### **3.18 UNIT PRICE**

Unit prices shall prevail in cases of a discrepancy in the Vendor's bid.

### **3.19 DELIVERY**

All quotations are considered freight on board destination ("F.O.B. destination") unless alternate shipping terms are clearly identified in the bid. Vendor's listing of shipping terms that contradict the shipping terms expressly required by this Solicitation may result in bid disqualification.





### **3.20 INTEREST**

Interest attributable to late payment will only be permitted if authorized by the West Virginia Code. Presently, there is no provision in the law for interest on late payments.

### **3.21 PREFERENCE**

Vendor Preference may only be granted upon written request and only in accordance with the West Virginia Code § 5A-3-37 and the West Virginia Code of State Rules. A Resident Vendor Certification form has been included as Exhibit 3 in Appendix E. Vendor's failure to submit the Resident Vendor Certification form with its bid will result in denial of Vendor Preference. Vendor Preference does not apply to construction projects.

### **3.22 SMALL, WOMAN-OWNED, OR MINORITY-OWNED BUSINESSES**

For any solicitations publicly advertised for bid on or after July 1, 2012, in accordance with West Virginia Code §5A-3-37(a)(7) and W. Va. CSR § 148-22-9, any non-resident vendor certified as a small, women-owned, or minority-owned business under W. Va. CSR § 148-22-9 shall be provided the same preference made available to any resident vendor. Any non-resident small, women-owned, or minority-owned business must identify itself as such in writing, must submit that writing to the Purchasing Division with its bid, and must be properly certified under W. Va. CSR § 148-22-9 prior to submission of its bid to receive the preferences made available to resident vendors. Preference for a non-resident small, woman-owned, or minority owned business shall be applied in accordance with W. Va. CSR § 148-22-9.

### **3.23 TAXES**

The Vendor shall pay any applicable sales, use, personal property or any other taxes arising out of this Contract and the transactions contemplated thereby. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.

### **3.24 CANCELLATION**

The Purchasing Division Director reserves the right to cancel this Contract immediately upon written notice to the vendor if the materials or workmanship supplied do not conform to the specifications contained in the Contract. The Purchasing Division Director may cancel any purchase or Contract upon 30 days written notice to the Vendor in accordance with West Virginia Code of State Rules § 148-1-7.16.2.

### **3.25 WAIVER OF MINOR IRREGULARITIES**

The Director reserves the right to waive minor irregularities in bids or specifications in accordance with West Virginia Code of State Rules § 148-1-4.6.

### **3.26 TIME**

Time is of the essence with regard to all matters of time and performance in this Contract.

### **3.27 APPLICABLE LAW**

This Contract is governed by and interpreted under West Virginia law without giving effect to its choice of law principles. Any information provided in specification manuals, or any other source, verbal or written, which contradicts or violates the West Virginia Constitution, West Virginia Code or West Virginia Code of State Rules is void and of no effect.

### **3.28 COMPLIANCE**

Vendor shall comply with all applicable federal, state, and local laws, regulations and ordinances. By submitting a bid, Vendors acknowledge that they have reviewed, understand, and will comply with all applicable law.



### 3.29 PREVAILING WAGE

On any contract for the construction of a public improvement, Vendor and any subcontractors utilized by Vendor shall pay a rate or rates of wages which shall not be less than the fair minimum rate or rates of wages (prevailing wage), as established by the West Virginia Division of Labor under West Virginia Code § 21-5A-1 et seq. and available at <http://www.sos.wv.gov/administrative-law/wagerates/Pages/default.aspx>. Vendor shall be responsible for ensuring compliance with prevailing wage requirements and determining when prevailing wage requirements are applicable. The required contract provisions contained in West Virginia Code of State Rules § 42-7-3 are specifically incorporated herein by reference.

### 3.30 ARBITRATION

Any reference made to arbitration contained in this Contract, Vendor's bid, or in any American Institute of Architects documents pertaining to this Contract are hereby deleted, void, and of no effect.

### 3.31 MODIFICATIONS

This writing is the parties' final expression of intent. Notwithstanding anything contained in this Contract to the contrary, no modification of this Contract shall be binding without mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). **No Change shall be implemented by the Vendor until such time as the Vendor receives an approved written change order from the Purchasing Division.**

As soon as possible after receipt of a written change request from the Agency, but in no event more than thirty (30) days thereafter, the Vendor should determine if there is an impact on price with the change requested and provide the Agency a written statement to identifying any price impact on the contract or to state that there is no impact. In the event that price will be impacted by the change, the Vendor should provide a description of the price increase or decrease involved in implementing the requested change.

### 3.32 WAIVER

The failure of either party to insist upon a strict performance of any of the terms or provision of this Contract, or to exercise any option, right, or remedy herein contained, shall not be construed as a waiver or a relinquishment for the future of such term, provision, option, right, or remedy, but the same shall continue in full force and effect. Any waiver must be expressly stated in writing and signed by the waiving party.

### 3.33 SUBSEQUENT FORMS

The terms and conditions contained in this Contract shall supersede any and all subsequent terms and conditions which may appear on any form documents submitted by Vendor to the Agency or Purchasing Division such as price lists, order forms, invoices, sales agreements, or maintenance agreements, and includes internet websites or other electronic documents. Acceptance or use of Vendor's forms does not constitute acceptance of the terms and conditions contained thereon.

### 3.34 ASSIGNMENT

Neither this Contract nor any monies due, or to become due hereunder, may be assigned by the Vendor without the express written consent of the Agency, the Purchasing Division, the Attorney General's office (as to form only), and any other government agency or office that may be required to approve such assignments. Notwithstanding the foregoing, Purchasing Division approval may or may not be required on certain agency delegated or exempt purchases.



### 3.35 WARRANTY

The Vendor expressly warrants that the goods and/or services covered by this Contract will: (a) conform to the specifications, drawings, samples, or other description furnished or specified by the Agency; (b) be merchantable and fit for the purpose intended; and (c) be free from defect in material and workmanship.

### 3.36 STATE EMPLOYEES

State employees are not permitted to utilize this Contract for personal use and the Vendor is prohibited from permitting or facilitating the same.

### 3.37 BANKRUPTCY

In the event the Vendor files for bankruptcy protection, the State of West Virginia may deem this Contract null and void, and terminate this Contract without notice.

### 3.38 HIPAA BUSINESS ASSOCIATE ADDENDUM

The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is available online at <http://www.state.wv.us/admin/purchase/vrc/hipaa.html> and is hereby made part of the agreement provided that the Agency meets the definition of a Covered entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the Vendor.

### 3.39 CONFIDENTIALITY

The Vendor agrees that it will not disclose to anyone, directly or indirectly, any 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/default.html>.

### 3.40 DISCLOSURE

Vendor's response to the Solicitation and the resulting Contract are considered public documents and will be disclosed to the public in accordance with the laws, rules, and policies governing the West Virginia Purchasing Division. Those laws include, but are not limited to, the Freedom of Information Act found in West Virginia Code § 29B-1-1 et seq.

If a Vendor considers any part of its bid to be exempt from public disclosure, Vendor must so indicate by specifically identifying the exempt information, identifying the exemption that applies, providing a detailed justification for the exemption, segregating the exempt information from the general bid information, and submitting the exempt information as part of its bid but in a segregated and clearly identifiable format. Failure to comply with the foregoing requirements will result in public disclosure of the Vendor's bid without further notice. A Vendor's act of marking all or nearly all of its bid as exempt is not sufficient to avoid disclosure and WILL NOT BE HONORED. Vendor's act of marking a bid or any part thereof as "confidential" or "proprietary" is not sufficient to avoid disclosure and WILL NOT BE HONORED. In addition, a legend or other statement indicating that all or substantially all of the bid is exempt from disclosure is not sufficient to avoid disclosure and WILL NOT BE HONORED. Vendor will be required to defend any claimed exemption for nondisclosure in the event of an administrative or judicial challenge to the State's nondisclosure. Vendor must indemnify the State for any costs incurred related to any exemptions claimed by Vendor. Any questions regarding the applicability of the various public records laws should be addressed to the vendor's legal counsel prior to bid submission.

### 3.41 LICENSING

In accordance with West Virginia Code of State Rules §148-1-6.1.7, Vendor 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 agency or political subdivision. Upon request, the Vendor must provide all necessary releases to obtain information to enable the Purchasing Division Director or the Agency to verify that the Vendor is licensed and in good standing with the above entities.

### **3.42 ANTITRUST**

In submitting a bid to, signing a contract with, or accepting a Purchase Order from any agency of the State of West Virginia, the Vendor agrees to 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 Vendor.

### **3.43 VENDOR CERTIFICATIONS**

By signing its bid or entering into this Contract, Vendor certifies (1) that its bid was made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, person or entity submitting a bid for the same material, supplies, equipment or services; (2) that its bid is in all respects fair and without collusion or fraud; (3) that this Contract is accepted or entered into without any prior understanding, agreement, or connection to any other entity that could be considered a violation of law; and (4) that it has reviewed this RFP in its entirety; understands the requirements, terms and conditions, and other information contained herein. Vendor's signature on its bid also affirms that neither it nor its representatives have any interest, nor shall acquire any interest, direct or indirect, which would compromise the performance of its services hereunder. Any such interests shall be promptly presented in detail to the Agency.

The individual signing this bid on behalf of Vendor certifies that he or she is authorized by the Vendor to execute this bid or any documents related thereto on Vendor's behalf; that he or she is authorized to bind the Vendor in a contractual relationship; and that, to the best of his or her knowledge, the Vendor has properly registered with any State agency that may require registration.

### **3.44 PURCHASING CARD ACCEPTANCE**

The State of West Virginia currently utilizes a Purchasing Card program, administered under contract by a banking institution, to process payment for goods and services. The Vendor must accept the State of West Virginia's Purchasing Card for payment of all orders under this Contract unless the box below is checked.

Vendor is not required to accept the State of West Virginia's Purchasing Card as payment for all goods and services.

### **3.45 VENDOR RELATIONSHIP**

The relationship of the Vendor to the State shall be that of an independent contractor and no principal-agent relationship or employer-employee relationship is contemplated or created by this Contract. The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents. Vendor shall be responsible for selecting, supervising, and compensating any and all individuals employed pursuant to the terms of this Solicitation and resulting contract. Neither the Vendor, nor any employees or subcontractors of the Vendor, shall be deemed to be employees of the State for any purpose whatsoever. Vendor shall be exclusively responsible for payment of employees and contractors for all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums, contributions to insurance and pension, or other deferred compensation plans, including but not limited to, Workers' Compensation and Social Security obligations, licensing fees,



*etc.* and the filing of all necessary documents, forms and returns pertinent to all of the foregoing. Vendor shall hold harmless the State, and shall provide the State and Agency with a defense against any and all claims including, but not limited to, the foregoing payments, withholdings, contributions, taxes, Social Security taxes, and employer income tax returns.

The Vendor is solely responsible for all work performed under the contract and assumes prime contractor responsibility for all services offered and products to be delivered under the terms of this contract. The State considers the Vendor to be the sole point of contact with regard to all contractual matters. The Vendor may, with the prior written consent of the State, enter into written subcontracts for performance of work under this contract; however, the vendor is totally responsible for payment of all subcontractors.

### **3.46 INDEMNIFICATION**

The Vendor agrees to indemnify, defend, and hold harmless the State and the Agency, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person, or firm performing or supplying services, materials, or supplies in connection with the performance of the Contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use, or disposition of any data used under the Contract in a manner not authorized by the Contract, or by Federal or State statutes or regulations; and (3) Any failure of the Vendor, its officers, employees, or subcontractors to observe State and Federal laws including, but not limited to, labor and wage and hour laws.

### **3.47 PURCHASING AFFIDAVIT**

In accordance with West Virginia Code § 5A-3-10a, all Vendors are required to sign, notarize, and submit the Purchasing Affidavit stating that neither the Vendor nor a related party owe a debt to the State in excess of \$1,000. The affidavit must be submitted prior to award, but should be submitted with the Vendor's bid. A copy of the Purchasing Affidavit is included herewith.

### **3.48 ADDITIONAL AGENCY AND LOCAL GOVERNMENT USE**

This Contract may be utilized by and extends to other agencies, spending units, and political subdivisions of the State of West Virginia; county, municipal, and other local government bodies; and school districts ("Other Government Entities"). This Contract shall be extended to the aforementioned Other Government Entities on the same prices, terms, and conditions as those offered and agreed to in this Contract. If the Vendor does not wish to extend the prices, terms, and conditions of its bid and subsequent contract to the Other Government Entities, the Vendor must clearly indicate such refusal in its bid. A refusal to extend this Contract to the Other Government Entities shall not impact or influence the award of this Contract in any manner.

### **3.49 CONFLICT OF INTEREST**

Vendor, its officers or members or employees, shall not presently have or acquire any interest, direct or indirect, which would conflict with or compromise the performance of its obligations hereunder. Vendor shall periodically inquire of its officers, members and employees to ensure that a conflict of interest does not arise. Any conflict of interest discovered shall be promptly presented in detail to the Agency.

### **3.50 REPORTS**

Vendor shall provide the Agency and/or the Purchasing Division with the following reports identified by a checked box below:

[ ] Such reports as the Agency and/or the Purchasing Division may request. Requested reports may include, but are not limited to, quantities purchased, agencies utilizing the contract, total contract expenditures by agency, etc.



[ ] Quarterly reports detailing the total quantity of purchases in units and dollars, along with a listing of purchases by agency. Quarterly reports should be delivered to the Purchasing Division via email at [purchasing.requisitions@wv.gov](mailto:purchasing.requisitions@wv.gov).

### **3.51 BACKGROUND CHECK**

In accordance with W. Va. Code § 15-2D-3, the Director of the Division of Protective Services shall require any service provider whose employees are regularly employed on the grounds or in the buildings of the Capitol complex or who have access to sensitive or critical information to submit to a fingerprint-based state and federal background inquiry through the state repository.

After the contract for such services has been approved, but before any such employees are permitted to be on the grounds or in the buildings of the Capitol complex or have access to sensitive or critical information, the service provider shall submit a list of all persons who will be physically present and working at the Capitol complex to the Director of the Division of Protective Services for purposes of verifying compliance with this provision.

The State reserves the right to prohibit a service provider's employees from accessing sensitive or critical information or to be present at the Capitol complex based upon results addressed from a criminal background check.

### **3.52 PREFERENCE FOR USE OF DOMESTIC STEEL PRODUCTS**

Except when authorized by the Director of the Purchasing Division pursuant to W. Va. Code § 5A-3-56, no contractor may use or supply steel products for a State Contract Project other than those steel products made in the United States. A contractor who uses steel products in violation of this section may be subject to civil penalties pursuant to W. Va. Code § 5A-3-56. As used in this section:

**a.** "State Contract Project" means any erection or construction of, or any addition to, alteration of or other improvement to any building or structure, including, but not limited to, roads or highways, or the installation of any heating or cooling or ventilating plants or other equipment, or the supply of and materials for such projects, pursuant to a contract with the State of West Virginia for which bids were solicited on or after June 6, 2001.

**b.** "Steel Products" means products rolled, formed, shaped, drawn, extruded, forged, cast, fabricated or otherwise similarly processed, or processed by a combination of two or more or such operations, from steel made by the open hearth, basic oxygen, electric furnace, Bessemer or other steel making process.

The Purchasing Division Director may, in writing, authorize the use of foreign steel products if:

**a.** The cost for each contract item used does not exceed one tenth of one percent (.1%) of the total contract cost or two thousand five hundred dollars (\$2,500.00), whichever is greater. For the purposes of this section, the cost is the value of the steel product as delivered to the project; or

**b.** The Director of the Purchasing Division determines that specified steel materials are not produced in the United States in sufficient quantity or otherwise are not reasonably available to meet contract requirements.

### **3.53 PREFERENCE FOR USE OF DOMESTIC ALUMINUM, GLASS, AND STEEL**

In Accordance with W. Va. Code § 5-19-1 et seq., and W. Va. CSR § 148-10-1 et seq., for every contract or subcontract, subject to the limitations contained herein, for the construction, reconstruction, alteration, repair, improvement or maintenance of public works or for the purchase of any item of machinery or equipment to be used at sites of public works, only domestic aluminum, glass or steel products shall be supplied unless the spending officer determines, in writing, after the receipt of offers or bids, (1) that the cost of domestic aluminum, glass or steel products is unreasonable or inconsistent with the public interest of the State of West Virginia, (2) that domestic aluminum, glass or steel products are not produced in



sufficient quantities to meet the contract requirements, or (3) the available domestic aluminum, glass, or steel do not meet the contract specifications. This provision only applies to public works contracts awarded in an amount more than fifty thousand dollars (\$50,000) or public works contracts that require more than ten thousand pounds of steel products.

The cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than twenty percent (20%) of the bid or offered price for foreign made aluminum, glass, or steel products. If the domestic aluminum, glass or steel products to be supplied or produced in a “substantial labor surplus area”, as defined by the United States Department of Labor, the cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than thirty percent (30%) of the bid or offered price for foreign made aluminum, glass, or steel products.

This preference shall be applied to an item of machinery or equipment, as indicated above, when the item is a single unit of equipment or machinery manufactured primarily of aluminum, glass or steel, is part of a public works contract and has the sole purpose or of being a permanent part of a single public works project. This provision does not apply to equipment or machinery purchased by a spending unit for use by that spending unit and not as part of a single public works project.

All bids and offers including domestic aluminum, glass or steel products that exceed bid or offer prices including foreign aluminum, glass or steel products after application of the preferences provided in this provision may be reduced to a price equal to or lower than the lowest bid or offer price for foreign aluminum, glass or steel products plus the applicable preference. If the reduced bid or offer prices are made in writing and supersede the prior bid or offer prices, all bids or offers, including the reduced bid or offer prices, will be reevaluated in accordance with this rule.

### **3.54 RECORD RETENTION (ACCESS & CONFIDENTIALITY)**

Vendor shall comply with all applicable Federal and State of West Virginia rules and regulations, and requirements governing the maintenance of documentation to verify any cost of services or commodities rendered under this contract by Vendor. The Vendor shall maintain such records a minimum of five (5) years and make available all records to Agency personnel at Vendor's location during normal business hours upon written request by Agency within 10 days after receipt of the request.

Vendor shall have access to private and confidential data maintained by Agency to the extent required for Vendor to carry out the duties and responsibilities defined in this contract. Vendor agrees to maintain confidentiality and security of the data made available and shall indemnify and hold harmless the State and Agency against any and all claims brought by any party attributed to actions of breach of confidentiality by the Vendor, subcontractors or individuals permitted access by Vendor.



**CERTIFICATION AND SIGNATURE PAGE**

By signing below, I certify that I have reviewed this Solicitation in its entirety; understand the requirements, terms and conditions, and other information contained herein; that I am submitting this bid or proposal for review and consideration; that I am authorized by the bidder to execute this bid or any documents related thereto on bidder's behalf; that I am authorized to bind the bidder in a contractual relationship; and that to the best of my knowledge, the bidder has properly registered with any State agency that may require registration.

\_\_\_\_\_  
(Company)

\_\_\_\_\_  
(Representative Name, Title)

\_\_\_\_\_  
(Contact Phone/Fax Number)

\_\_\_\_\_  
(Date)





**ADDENDUM ACKNOWLEDGEMENT FORM**  
**SOLICITATION NO.: CPR12026**

**Instructions:** Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

**Acknowledgment:** I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

**Addendum Numbers Received:**

(Check the box next to each addendum received)

- |   |  |
|---|--|
| <input type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6  |
| <input type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7  |
| <input type="checkbox"/> Addendum No. 3 | <input type="checkbox"/> Addendum No. 8  |
| <input type="checkbox"/> Addendum No. 4 | <input type="checkbox"/> Addendum No. 9  |
| <input type="checkbox"/> Addendum No. 5 | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

\_\_\_\_\_  
Company

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

**NOTE:** This addendum acknowledgement should be submitted with the bid to expedite document processing.



## **SECTION 4 PROJECT SPECIFICATIONS**

### **4.1 LOCATION**

WVCPRB is located at 4101 MacCorkle Ave SE, Charleston WV, 25304.

Due to severe space and resource constraints at its offices at 4101 MacCorkle Avenue, WVCPRB will not be able to house the vendor staff at that location. The vendor must agree to procure temporary office space suitable to house its own team and up to eight co-located WVCPRB staff members.

The anticipated characteristics of the temporary office space are further described in Appendix D, Section 2.13.3.5.



## 4.2 BACKGROUND AND CURRENT OPERATING ENVIRONMENT

The West Virginia Consolidated Public Retirement Board (which replaced the Public Employees Retirement Board and the Teachers' Retirement Board), was established by the passage of House Bill 311 in 1990. The Consolidated Public Retirement Board is responsible for the administration of all State retirement plans for educational employees, public employees, deputy sheriffs, judges, and public safety personnel, with the exclusion of some higher educational plans. Although WVCPRB administers many retirement systems, the assets and administration of each system remain separate and distinct.

The mission of the WVCPRB is:

"The West Virginia Consolidated Public Retirement Board earnestly manages the collection of the members' contributions, guarantees that all transactions are completed according to the law, and in a timely and accurate manner by a staff that is discerning, honest, and responsible."

In achieving its mission, WVCPRB administers eight (8) defined benefit plans totaling approximately \$10.5 billion in assets. It also administers a defined contribution plan for teachers and school service personnel. Both investments and payments are managed externally (though payments from the defined benefit plans are calculated by WVCPRB and processed by the State Treasurer's Office (STO)).

The rules for administration and plan benefits come from legislative action, judicial interpretations, and federal requirements. The approximately 850 participating employers located throughout the State of West Virginia are required by statute to provide all data necessary for the effective operation of the systems.

WVCPRB administers eight defined benefit retirement plans:

- Public Employees Retirement System (PERS), which provides retirement benefits for employees of the State and political subdivisions
- Teachers' Retirement System (TRS), which provides retirement benefits for teachers and school service personnel. There are two tiers with different employer rates: one with an employer contribution rate of 7.5%, and the other with an employer contribution rate of 15%.
- Judges' Retirement System (JRS), which provides retirement benefits for judges and justices who elect to participate in the retirement system
- Deputy Sheriffs' Retirement System (DSRS), which provides retirement benefits for all deputy sheriffs hired on or after July 1, 1998
- West Virginia State Police Death, Disability and Retirement Fund (Plan A), which provides retirement benefits for all state troopers hired before March 12, 1994. Civilian employees of the West Virginia State Police are members of the PERS
- The West Virginia State Police Retirement System (Plan B), which provides retirement benefits for all state troopers hired on or after March 12, 1994. Civilian employees of the West Virginia State Police are members of the PERS
- Emergency Medical Services Retirement System (EMSRS), which provides retirement benefits for eligible Emergency Medical Services Officers (EMSO) who voluntarily elected to participate as of December 31, 2007, and to all EMSOs hired on or after January 1, 2008
- Municipal Police and Fire Retirement System (MPFRS), which provides retirement benefits for eligible municipal police and firemen for those municipalities which have elected to join for all their members hired on or after January 1, 2010.

WVCPRB also administers the Teachers' Defined Contribution Plan (TDC), which covers approximately 4,554 full time employees of the State of West Virginia's county public school systems, Department of Education, some Higher Education employees, and the Schools for the Deaf and Blind, who were hired between July 1, 1991 and June 30, 2005. In July of 2008, members of the TDC were given the option of



switching from the TDC into the TRS (defined benefit) plan; some 15,000 members transferred. The DC plan is no longer open to new enrollments, but not all original contributors opted out, so WVCPRB retains the responsibility of collecting member contributions from employers and passing them through to the plan administrator.

The table below provides statistics for the plans outlined above.<sup>1</sup>

**Table 3 WVCPRB Retirement Plan Statistics**

PLAN	YEAR IMPLEMENTED	ACTIVE MEMBERS	RETIREES	VESTED TERMS.	TOTAL MEMBERS	PLAN ASSETS (000,000's)
PERS	1961	36,254	22,793	3,859	64,867	\$4,322.67
TRS	1941	35,855	31,043	1,579	70,418	\$5,074.67
JRS	1949	70	56	0	2,075	\$124.58
DSRS	1998	954	272	70	3,294	\$113.57
Plan A	1935	133	689	4	2,761	\$481.99
Plan B	1994	523	17	7	2,541	\$70.76
EMSRS	2008	535	20	22	2,585	\$32.37
TDC	1991	4,554	0	0	6,545	\$299.58
MPFRS	2010	9	0	0	0	\$0.07
Total		78,887	54,890	5,541	139,318	\$10,520.26

For additional information regarding the plans such as eligibility rules, contribution rates and benefits please refer to the Plan Brochures and the WVCPRB Audited Financial Statements available at the following web address:

<http://www.wvretirement.com/Publications.html>

WVCPRB currently utilizes an old, VSAM-based legacy system. The system has been in use for over four decades – being patched, modified, and altered to support changing needs. As a result, it has become increasingly difficult and costly to maintain and respond to new requirements – functional, plan-driven, or legislatively mandated. The system lacks an integrated relational database (and the benefits inherent therein) and is comprised of many (literally hundreds) of old batch COBOL, on line CICS, VISION RESULTS (DYL), and SAS programs.

#### 4.2.1 VISION

WVCPRB's Vision Statement states, "The West Virginia Consolidated Retirement Board will be an agency that is knowledgeable, reliable, and trustworthy in its fiduciary responsibilities and will provide support and education to its employees empowering them to deliver effective, professional customer service that strengthens the members' confidence and satisfaction."

<sup>1</sup> All statistics are taken from the State of West Virginia Retirement Plans running statistics and are current as of 7/1/2011.



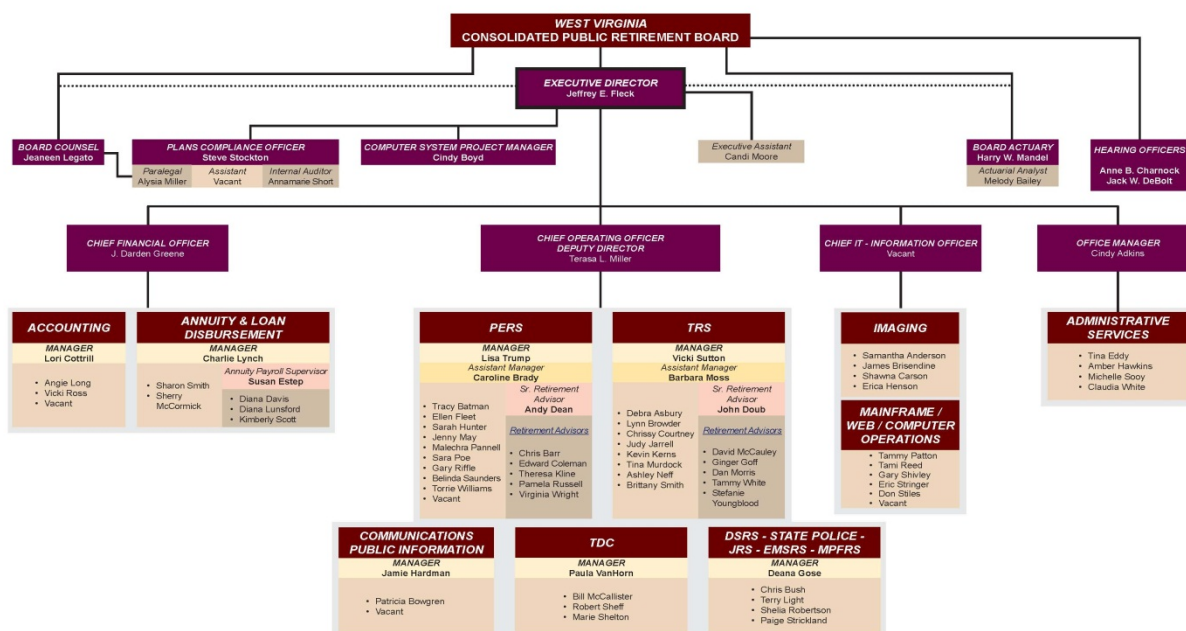
In its fulfillment of the mission and to further support its vision, WVCPRB is embarking on a project to evaluate and upgrade its pension administration capabilities through the possible procurement and implementation of a new LOB solution. WVCPRB has employed Leon R. Wechsler, Ltd, (LRWL) to assist in analyzing the needs of WVCPRB, and completing a technology plan for the project. As a part of the project, LRWL has conducted several sessions designed to assess the organization's appetite for change and to provoke thought and discussion amongst management and senior staff. The topics that were covered during those sessions are described in the sections that follow.

#### 4.2.2 ORGANIZATION AND STAFF

The WVCPRB is governed by a 16-member Board of Trustees. Four of the trustees are on the board by virtue of their position in State government (the Governor, the State Auditor, the State Treasurer, and the Cabinet Secretary for the Department of Administration). The remaining 12 trustees are appointed by the Governor, approved by the State Senate, and serve five-year terms.

Day to day operations are under the direction of the Executive Director who provides supervision of a staff of approximately 85 staff members. Unusual for a retirement system of this size, WVCPRB has in-house actuarial services, a compliance officer, **and** an internal auditor.

Figure 1 WVCPRB Organization Chart



#### 4.2.3 CURRENT BUSINESS PROCESSES

WVCPRB divides its business into the following business areas / units described below (and presented in alphabetical order):

- **Accounting** – responsible for the financial transactions processed throughout the system and for the balancing and reconciliation of such information
- **Actuary** – in-house provider to the Board, the Legislature and the Governor, of actuarial valuations, reconciliations, and other retirement administration-related services and information



- **Administrative Services / Procurement** – responsible for greeting walk-in members / retirees; answering questions; and providing call-center phone support Management of all procurements within the agency
- **Board Counsel / Legal** – responsible for the legal aspects of WVCPRB's operations, e.g., hearings, depositions, appeals
- **Communications / Public Information** – responsible for WVCPRB mass mailings, content in publications, development and presentation of member and employer education (outreach), and maintaining the content, style, etc., of the WVCPRB website
- **Compliance** – responsible for ensuring plan compliance with Federal and State laws and WVCPRB policy – and recommending changes as appropriate to establish and maintain that compliance
- **Hearing** – staff to the Board responsible for gathering and reviewing information on all appeals (plan transfers, loan denials, etc.) and medical determinations and subsequently making recommendations (which may be overruled) to the Board
- **Imaging** – responsible for the conversion of paper documents and microfilm into electronic image format via scanning and indexing procedures
- **Internal Audit** – performs periodic, in-depth audits of WVCPRB business processes and makes recommendations for improvements to same, paying particular attention to best practices, security of information, etc.
- **Loans and Benefit Disbursement** – process and manage loans for TRS and DSRS and benefit Annuity Payroll for all plans
- **Mainframe / Web / Computer Operations** – responsible for providing application support / maintenance, IT operations, and general office IT support and PC maintenance
- **PERS<sup>2</sup>** – responsible for all aspects of the Public Employees Retirement Plan, including:
  - **Counseling** – performing benefit estimates, retirement benefit calculations, and counseling members in a 1-on-1 office meeting – and subsequently exercising the process by which an active member is retired and placed on the pension Annuity Payroll
  - **Disability** – the review of disability applications, the consolidation of medical information in preparation for the Medical Board review, and the generation of various correspondences to applicants throughout the process; also, for those applicants approved, responsible for the (plan dependent) tracking of ongoing eligibility requirements and medical case follow-ups
  - **Employee Employer Contributions** – the collection of submitted service and contribution information, review, and correction of incomplete data; the posting of data to a member's account; and the balancing of data and submitted money
  - **Member and Pensioner Maintenance** – maintain contact information, beneficiaries, etc., managing the repository of (particularly demographic) information about the active and inactive members and pensioners contributing to or on the pension Annuity Payroll of the plan
  - **Purchase of Service** – responding to purchase inquiries and purchase requests, calculation of purchased time, and processing payments received
  - **Distribution** – processes distributions, refunds, death benefits, etc.
  - **Refunds** – Refunds of employee contributions with interest for inactive members in accordance with state statutes.

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<sup>2</sup> From the descriptions here, it *might* appear that the plan business units are isolated from one another and that there are duplicative tasks amongst the units. We understand that this is not strictly true, that members of PERS who are familiar with processing retirement applications will assist TRS in June, TRS' peak retirement period, etc. However, we do understand that each plan business unit has primary responsibility for all the functions within that plan's sphere of operations.



- **TDC<sup>2</sup>** – responsible for all aspects of the Teacher’s Defined Contribution plan, including:
  - **Management** – reconciliation of reported data and pass through of all appropriate information to the plan administrator
  - **Employee Employer Contribution** – responsible for the collection of submitted information, review, and correction of incomplete data; the posting of data to a member’s account; and the balancing of data and submitted money.
- **TRS<sup>2</sup>** – responsible for all aspects of the Teacher’s Defined Benefit plan, including all the same services listed under PERS
- **Uniformed Services<sup>2</sup>** – responsible for all aspects of the Public Safety, Judges, Deputy Sheriffs, and Emergency Medical Services plans, including all the same services listed under PERS.

#### 4.2.3.1 Service Volumes and Related Statistics

Table 4 contains the major business activities for WVCPRB along with the processing volumes associated with each.

**Table 4 WVCPRB Service Volumes (CY 2011)**

ACTIVITY	VOLUME
Paying Pensions	54,796 pensioners
Pensions paid by EFT	89.6 percent
Pension Inceptions	Approximately 2,700 new pensioners per year
Benefit Estimates	72 written estimates per day
One-on-One Counseling	5,500 members counseled in CY 2011
Member Phone Contacts	171,950 phone calls in CY 2011
Member Written Contacts	100,050 emails and letters in CY 2011
Mass Communication	78,900 active members each sent one item – the annual statement
Employer Reporting	Wage and contribution reporting from approximately 850 employers covering 78,900 contributing members
Number Reporting Electronically	540 (with another 145 submitting files via FTP)
Employer Education	One session annually for WVCPRB’s approximately 850 employers at a central location – typically no more than 200 attend.
Refunds and Transfers Out	2,500 refunds and transfers out during CY 2011
Purchases and Transfers In	Approximately 1,500 purchases and transfers in during CY 2011
Disability Processing	430 disability applications, 1,525 recertification during CY 2011
Income verifications	1,905 during CY 2011
Annual administrative costs	\$8.7M
Annual contribution revenue	\$738M



ACTIVITY	VOLUME
Full-time equivalent employees	85

#### 4.2.3.2 System Shortcomings

Among the current system's shortcomings (all of which are envisioned to be resolved by a new pension administration system) are:

- **Multiple VSAM files** – Lack of a single, relational database means that many data elements exist in multiple locations – and are not always consistent from one location to another. Users must often make multiple queries of multiple systems to find answers to their and member questions. In addition, without a relational database, there is no transaction rollback capability so errors cannot be readily “undone.”
- **Ad hoc reports** – Due to the lack of a single, well-designed database, business users cannot develop their own queries of the database but must make requests of IT for the development of scripts and programs to get answers to questions such as “What if ?” and “How many ...?”
- **Embedded constants** – Constant and parameter values that are subject to periodic change (e.g., actuarial equivalent factors) are embedded in the CICS code and not easily changed. As a result, for example, PERS actuarial equivalent factors were updated five years ago, but other plans have not been updated.
- **Accuracy of member service data** – Because of historical inconsistencies in employer reporting of member service data, there are errors and omissions in the member service record. Almost half of the retirements processed require manual intervention and service data validation at the time of retirement.
- **Completeness of member record** – There is no place in the current member record to store information relating to member encounters such as telephone calls, scheduled meetings, etc.
- **Privacy** – WVCPRB uses the member SSN as the member identifier, both internally (as a primary key for locating a member or the images related to a member) and externally (though all but the last four digits are redacted on outgoing correspondence) – and the general public is becoming more wary of providing their SSN as a piece of identifying information. The Plan Compliance Officer has expressed an understandable concern about possible privacy violations and a request that the use of the SSN as the primary member identifier be replaced with a unique member ID.
- **Handling of Personal and Private Information** – Steps taken to maintain member privacy in areas such as QDROs and “Less than Honorable” status, mean that some member-specific legal information is not stored in the system (though the member record is flagged) and must be obtained from legal whenever it is required for reference or use in calculations.
- **Batch processing** – Interactive use of the system must be halted once or twice a day for 20 or 30 minutes at a time so that batch processes can be executed. This decreases staff efficiency – and makes interactive counseling of members very difficult if such counseling is being done during such an outage.
- **Integration** – Since the many programs do not “talk to” one another, staff members must often enter data multiple times to complete an operation. The need for multiple data re-entry has the potential for causing errors – and does. One example of the lack of integration is the need to re-enter seven screens worth of member data when moving the member from active to retired status.
- **Navigation** – The lack of integration of applications, the lack of integrated electronic workflow, and the lack of integrated, context-sensitive user help mean that screen-to-screen navigation is cumbersome and requires significant training of new hires before they can become proficient at their





jobs – and makes it harder for staff members to work in plans other than the one with which they are most familiar, especially when a process must be restarted from the beginning if the staff member navigates to a wrong or out-of-sequence screen. Additionally, the need to re-enter a member identifier from screen to screen or process to process is an irritant to many staff members.

- **Data and calculation checking** – The system’s lack of built-in reasonableness and threshold checking, i.e., edits, of user-entered data means that incorrect data entry of unreasonable employer- and member-supplied data is not automatically flagged by the system. For example, a date of birth in the 90’s is perfectly reasonable, but not when the date of hire is also in the 90’s – or earlier. Staff members may not always catch errors of this nature; a data profiling exercise might generate the sort of report needed to find and fix some of these errors.
- **Check Posting** – WVCPRB’s automated check posting application does not meet WVCPRB’s needs and is officially “dead.” It must be replaced.
- **Loans** – The loan system is old, undocumented, almost impossible to maintain and enhance, and highly inflexible. It currently provides no internal controls and needs replacement.
- **Calculations** – The need for significant amounts of manual calculation (since not all calculations have been coded into the systems) means that human error may be introduced into WVCPRB’s calculations.
- **Spreadsheets** – Business users, in their efforts to ensure consistent application of business rules to calculations, have developed spreadsheets that perform their calculations for them. The spreadsheets have proliferated to the point where there may be several that purport to perform the same calculation yet sometimes produce different results.
- **Access Databases** – As with spreadsheets, there has been an increase in the number of Access databases so that users can track the status of tasks, suspense dates, etc. Little of the data stored in Access databases is generally available - a particular problem when a member calls seeking status of a request.

#### 4.2.4 HIGH-LEVEL LEGACY TECHNICAL AND OPERATIONAL ENVIRONMENT

The sections below detail the current environment, its various components, the means by which WVCPRB performs system operational support, etc.

##### 4.2.4.1 Current System Components

WVCPRB currently utilizes an old, VSAM-based legacy system. The system has been in use for over four decades – being patched, modified, and altered to support changing needs. As a result, it has become increasingly difficult and costly to maintain and respond to new requirements – functional, plan-driven, or legislatively mandated. A staff of two programmers currently is responsible for supporting the system. The system lacks an integrated relational database (and the benefits inherent therein), is comprised of many (literally hundreds) of old batch COBOL, on line CICS, VISION RESULTS (DYL), and SAS programs. It does not provide robust web-based capability for self-service to members – whether active or retired and the web-based capability employer reporting system is only just being developed and rolled out to employers.

##### 4.2.4.2 Current Solution and Processes

The table below summarizes the current solution environment for the four major systems that WVCPRB uses to perform its business processing.



**Table 5 High Level Summary of Solution Environment**

SYSTEM	CICS PROGRAMS	BATCH COBOL	AD HOC REPORTS	VSAM FILES	RECORDS
Contributions	139	43	80	7	300,000
Withdraw	18	20	>100	1	167,000
Loans	42	14	11	2	38,000
Annuity	24	105	Hundreds	8	108,000
Totals	223	182	Hundreds	18	613,000

#### 4.2.4.2.1 West Virginia Office of Technology (WVOT)

WVCPRB works closely with the West Virginia Office of Technology in the administration and operation of their computer systems and applications. As can be seen in the discussion that follows, the mainframe that hosts the retirement application is hosted and managed by the WVOT, who also provide web- and email-service administration. In addition, all regularly scheduled backup of servers is performed centrally. Through the use of NightWatchman, WVOT also manages the on/off availability of the agency PCs powering them all down at 6:00 PM every evening. NightWatchman options provide individual users the capability of keeping their machines active for a variety of time periods. Users can also power their machines back on at any time after the NightWatchman power down

Furthermore, WVOT has developed and promulgated the network and accessibility standards to which WVCPRB adheres. These standards define the domains for file server and email access and establish WVOT control over file access rights.

While WVCPRB maintains its own user help desk for internal applications. Those services are backed up by the WVOT so that issues that cannot be resolved within WVCPRB are escalated to WVOT for resolution. The complete set of services provided by WVOT includes:

- Windows account creation and maintenance
- Email account creation and maintenance on the WVOT-maintained MS Exchange server
- Manage web based software licenses for connecting to the mainframe
- Avamar backups for all servers with the actual backup media retained at WVOT
- Cisco VoIP phone system, maintenance, hardware and software
- Power Over Ethernet (POE)-managed switch and firewall maintenance
- Provision of Spam filters on all email
- House and maintain the web-servers for both the WVCPRB website and the WVCPRB Secure FTP website
- Maintain mainframe databases
- Perform mainframe-based mailings – printing, bursting, folding, mailing, etc.
- Provision of specialty mainframe print capabilities
- West Virginia Financial Information Management System (FIMS) access and print functionality
- Provide any programming assistance needed by WVCPRB programmers
- Virus software and update – server located at WVOT



- Maintain the backbone/firewalled secure connection between WVCPRB and the WVOT Capitol Complex

#### 4.2.4.2.2 Network Infrastructure

A diagram of the WVCPRB network infrastructure appears in Appendix E, Exhibit 6. Currently WVCPRB houses the agency File Server, the Microsoft Dynamics Application Server, and the Image and Image storage servers. All other application servers (web, email, etc.) are located and maintained at the facilities of the West Virginia Office of Technology and connected to the WVCPRB in-house network via a Fiber Data Circuit.

#### 4.2.4.2.3 Hardware and Software

As indicated above, WVCPRB houses its file and application (MS Dynamics, ApplicationXtender) servers and infrastructure in the agency's headquarters building. Backup hardware is co-located with the servers. There is currently no failover capability for the file and application-servers. The server configurations include:

- File Server: Windows Server 2008 R2 Standard. Although located at WVCPRB, the server is completely managed (remotely) by WVOT
- Microsoft Dynamics Server: Windows Server 2003, and SQL Server 2008 Standard. Application software is Microsoft Dynamics, version 2010
- Documentum ApplicationXtender (Imaging) Server: Windows Server 2008, SQL Server 2008 Standard. Application software is Documentum ApplicationXtender, Version 6.5
- ExpressStor (Image Storage) Server: Windows Storage software
- Firewall at WVCPRB: CISCO PIX 515E Firewall
- User workstations and laptops: WVCPRB's current desktop devices are Hewlett-Packard (HP) as the current statewide support contract is with HP. All workstations and laptops have at least 1 GB RAM and 80 GB or higher hard drives.

#### 4.2.4.2.4 Current System Refresh Policy

WVCPRB's current system upgrade policy includes:

- All application servers are replaced every four years
- All user PCs are replaced or refreshed every four years on a rotating basis

New software functionality (e.g., Microsoft Office 2010) and patches (e.g., Microsoft Office 2010, SP 1) are evaluated and tested upon release and installed as necessary. However, security-related patches are applied regularly.

### 4.2.5 DETAILED INFORMATION ON THE LEGACY ENVIRONMENT

The sections below detail the current environment, its various components, the means by which WVCPRB performs system operational support, etc.

The material presented in the sections below subdivides the current technical environment into the several component subsystems that comprise the current legacy environment. (Note that it is WVCPRB's intent for the new pension administration solution to be a single, integrated solution.) The sections that follow include descriptions of the hardware and both system and application (where appropriate) software for:

- General Pension Administration



- Employer Reporting Sub-System
- Financial Management Sub-System
- Enterprise Content Management (ECM) Sub-System
- Telephony Sub-System
- Other Sub-Systems

WVCPRB (with WVOT) will assume responsibility for all operational and programming support of its legacy systems. The vendor will have no responsibilities in this regard. However, where a legacy sub-system is scheduled to be integrated into the new LOB solution, the vendor IS responsible, working jointly with WVCPRB, to ensure that legacy operations are not unduly interrupted – and that any interruptions in the availability of service is scheduled in advance. WVCPRB will assume responsibility for all activities relating to the shutdown / decommissioning of legacy systems after cutover to the new solution.

#### 4.2.5.1 General Pension Administration

In Table 5, above, we introduced the four major systems components of the legacy system. The information provided below provides more detail on several components of that system.

##### 4.2.5.1.1 Hardware and System Software

The mainframe system that hosts WVCPRB's general pension administration modules is an IBM 2086 zSeries 890 Server Model A04. It extends key zSeries platform characteristics of reliability, availability, scalability, clustering, and quality of service to respond to West Virginia's ever-changing business climate. It offers a processor that delivers extensive growth options and excellent price/performance for those customers requiring a lower-capacity entry point. The WVOT supports Oracle using the Linux operating system as an alternative to zOS or Windows. On the Enterprise Server (mainframe) SUSE Linux and for a server-based application WVOT supports Red Hat Linux. Other than the mainframe, WVCPRB maintains the hardware listed below. This hardware supports general legacy system functions such as email, security, etc.

The CPRB File Server is located at the agency's headquarters in a locked server room in the IT Section. The WVOT performs the majority of the administrative tasks with this server, i.e., maintenance, upgrades, Windows account creation, and user security access. All that WVCPRB can do from an administrative perspective is:

- Reset passwords
- Unlock accounts
- Copy software to the Apps folder for WVOT to use in setting up PCs
- Add and modify documents on the various other shared volumes (but not the individual's folders and directories.)

The File Server is used for file storage only and is not used as an application server. The file server's operating system is Windows Server 2008. All users have mapped drives to this server to access the shared folders and their user directories.

**Table 6 WVCPRB's Existing File Server Configuration**

FILE SERVER DETAILS	
SERVER ROLE	File Server



FILE SERVER DETAILS	
SERVER LOCATION	4101 McCorkle Avenue
HARDWARE CONFIGURATION	
SERVER BRAND	Hewlett-Packard
SERVER MODEL	ML 150 G6 E5520
CPU TYPE	Intel Xeon 2.8 GHz
CPU NUMBER	1
DISK SPACE	584 GB (4 x 146 GB, Raid 5)
MEMORY	4 GB
SOFTWARE CONFIGURATION	
OPERATING SYSTEM	Windows Server 2008, R2
PATCH LEVEL	Service Pack 2
SECONDARY APPLICATIONS	
None	

WVCPRB's typical client workstations are currently Hewlett-Packard (HP) models. The current statewide support contract is with HP. All workstations and laptops have at least one GB RAM and 80 GB or higher hard drives. Currently 26 employees have a dual monitor configuration.

WVCPRB's current inventory of printers is provided in Table 7 below:

**Table 7 WVCPRB Current Printer Inventory**

QUANTITY	MAKE	MODEL
75	Lexmark	E250d, E260d, E460 & T650 (desktop)
17	Lexmark	C530, T644, C544, C534, T642 (network)
1	HP	4600dtn (network)

#### 4.2.5.1.2 Application Software

Application software found on standard WVCPRB workstations is presented in Table 8 below:

**Table 8 WVCPRB's Standard Workstation Software**

SOFTWARE NAME	DEVELOPER	VERSION	PURPOSE
Adobe Reader	Adobe Software	10	Provide PDF Reader capability
Bluezone	Seagull Software	V34	Used to access mainframe applications via the web. WVOT maintains licenses



SOFTWARE NAME	DEVELOPER	VERSION	PURPOSE
Office 2007	Microsoft	SP1	Documents, spreadsheets, and email
Communicator 2007	Microsoft	2007	Interoffice instant messaging
WebX	Web based	5.4	Image retrieval
Anti-virus	MS Forefront Endpoint Protection	2010	Virus protection

Additional application software found on several WVCPRB workstations includes:

**Table 9 WVCPRB's Specialty Workstation Software**

SOFTWARE NAME	DEVELOPER	VERSION	PURPOSE
Adobe Acrobat	Adobe Software	7, 8, & 9	Create PDF editable documents
Adobe Creative Suites	Adobe Software	3 & 4	Brochures, pamphlets, newsletters, web page
Crystal Reports	SAP Business Objects	11 & 12	Use to do custom reports from the West Virginia Financial Information Management System (WVFIMS) and Microsoft Dynamic GP database
Genesis Pro	Time America Inc.	10d	Daily employee timekeeping
Visio	Microsoft	2007	Flow charts
Lotus	IBM	9.5	spreadsheets
Word Perfect	Corel	12	Legislative and legal documents
Fortran 95	Lahay/Fujitsu	F90 SQL	Actuarial software
Multi-Edit	Multi-Edit Software, Inc.	9.5 & 10.03	Actuarial software
Generic InfoPrint 300 DPI AFP Print driver	IBM	See next cell	Enables mainframe AFP format letter creation – used sparingly PPFA (V1.1) – programmer OGL (V1.1) – programmer PSF (V4.1) – JES2 on mainframe
Hubman	Hubman	Pro 7	Proximity / security
Infoprint Solutions AFP workbench	IBM	2.05.04.01	AFP viewer on the desktop
1099 Express	Express Enterprises	2009	Used to view, reprint and correct 1099R records



SOFTWARE NAME	DEVELOPER	VERSION	PURPOSE
Unified Contact Center Express	Cisco	6.0	Telephony management

Other applications in use at WVCPRB include those described in Table 10 below:

**Table 10 Other Applications Used by WVCPRB**

APPLICATION	PURPOSE	DEVELOPER
View Direct	Mainframe application to retrieve archived reports	ASG Software Solutions
PEIA	Mainframe application custom developed by PEIA to be used by all agencies subject to the State Auditor and Treasury functions (including WVCPRB). The State is currently in the first phase of its Enterprise Resource Planning (ERP) implementation. The ERP solution is envisioned to replace this as well as other applications. <sup>3</sup>	Custom App
HRIS (Human Resource Information System)	Used to track personnel transactions and expenditures of WV state government	Custom mainframe application

#### 4.2.5.1.3 Application Data

Application data repositories currently used by WVCPRB are presented in Table 11 below. The current data dictionary and file and record layout information will be provided to the successful vendor at the start of the project.

**Table 11 Current WVCPRB Data Repository**

FILE NAME	NO. OF RECORDS	RECORD LENGTH	FILE SIZE	COMMENTS
<b>Benefits Files</b>				
PEU.PES001D1	134	150	20 KB	SECURITY FILE
PEU.PEZ001D1	51,780	2555	133MB	ANNUITY MASTER
PEU.PEZ007D1	24	80	2 KB	TAX CALCULATION
PEU.PEZ010D1	32	80	3 KB	ANNUITY DEDUCTION CODES

<sup>3</sup> For more information on the ERP, reference Appendix D, Section 2.5.8.3.3.



FILE NAME	NO. OF RECORDS	RECORD LENGTH	FILE SIZE	COMMENTS
PEU.PEZ015D1	5000	958	5 CYL	ANNUITY AUDIT FILE (monthly)
PEU.PEZ016D1	17	80	2 KB	ANNUITY ACCOUNT FILE
PEU.PEZ017D1	5,689	400	3 MB	ANNUITY DECEASED TO BENEFICIARY
PEU.PEZ001D2	52,539	2555	134 MB	ANNUITY PRIOR YEAR FILE
PEU.PEC021D1	0	1270	1 CYL	PRE RETIREMENT BENEFICIARY FILE
<b>Membership Files</b>				
PEU.PEC003D1	38,325	92	4 MB	INTERMEDIATE CONTRIB FILE
PEU.PEC035D1	2,113	400	1 MB	ACCOUNT FILE
PEU.PEC021D1	0	1270	5CYL	PRE-RETIREMENT BENE FILE (NEW)
PEU.PEB930D1	4875	72	366KB	PERS JOINT SURVIVOR FACTORS
PEU.PEB930D2	6615	72	477 KB	PERS DISABILITY FACTORS
PEU.PEB930D2	266	12	3 KB	PERS EARLY REDUCTION FACTORS
PEU.PEB950D1	11193	80	1 MB	DSRS JOINT SURVIVOR FACTORS
PEU.PEB953D1	181	80	15 KB	TROOPER B EARLY FACTORS
PEU.PEF001D1	169004	800	136 MB	REFUND/WITHDRAW FILE
PEU.PEQ001D1	0	300	5 CYLS	SUPP ANNUITY PAYROLL FILE STARTS EACH CYCLE EMPTY
PEU.PEVC0010	65000	V751-4183	100 CYLS	PERS CONTRIB ANNUAL MASTER
PEU.PEVC0020	65000	V11368-32662	850 CYLS	PERS CONTRIB MONTHLY MASTER
TEU.TEVM0010	47000	V705-4755	400 CYLS	TEACHERS ACTIVE MASTER
TEU.TEVM0020	200	64	2CYLS	TEACHERS CONTRIB TRANSACTIONS





FILE NAME	NO. OF RECORDS	RECORD LENGTH	FILE SIZE	COMMENTS
TEU.TEVM0050	500,000+	100	500 CYLS	TEACHERS MONTHLY FILE
PEU.PEVM0010	24537	1131	2 CYLS	ACTIVE MESSAGES FILE
<b>Loans Files</b>				
TEU.TEVL0010	200	240	4CYLS	TEACHERS NEW LOANS TRANSACTIONS
TEU.TEVL0020	400	200	20CYLS	TEACHERS LOAN PAYMENTS TRANSACTIONS
TEU.TEVL0040	3000	V320-31820	60 CYLS	TEACHERS LOAN MASTER FILE
TEU.TEVL0050	73000	V320-31820	100 CYLS	TEACHERS TERMINATED LOANS MASTER
TEU.TEVL0060	10	280	2 CYLS	TEACHERS LOAN CHANGES
TEU.TEVL0070	200	63	2 CYLS	TEACHERS LOAN PAYMENTS TRANSACTIONS
TEU.TEVL0001	100	80	1 CYL	LOAN OFFSET REDUCTION TABLE NORMAL
TEU.TEVL0002	100	80	1 CYL	LOAN OFFSET REDUCTION TABLE DISABLED
TEU.TEVB0050	100	12	2 CYLS	TEACHERS JOINT SURVIVOR 50% REDUCTION TABLE
TEU.TEVB0060	100	12	2 CYLS	TEACHERS JOINT SURVIVOR 100% REDUCTION TABLE
<b>History Files</b>				
TEU.TEVM0030	50	209	5CYLS	TEACHERS HISTORY TRANSACTIONS
TEU.TEVM0040	82823	V705-4755	200 CYLS	TEACHERS TERMINATED MASTER
PEU.PEVC0070	27045	V751-4183	100 CYLS	PERS TERMINATED ANNUAL MASTER
PEU.PEVC0080	27071	V11368-32662	850 CYLS	PERS TERMINATED MONTHLY MASTER



FILE NAME	NO. OF RECORDS	RECORD LENGTH	FILE SIZE	COMMENTS
PEU.PEVC0030	200	222	2 CYLS	PERS ANNUAL CHANGE TRANSACTIONS
PEU.PEVC0040	200	70	2 CYLS	PERS MONTHLY CHANGE TRANSACTIONS
PEU.PEVM0020	86	1139	2CYLS	TERMINATED MESSAGES FILE
<b>DB2 Beneficiary System</b>				
PETB_BEN_HEADER	27000	99	4 CYLS	MAIN BENEFICIARY TABLE
PETB_BEN_ADDRESS	23000	94	3 CYLS	BENEFICIARY ADDRESS DATA (FROM OLD FILE ONLY - NEW DESIGN DOES NOT CAPTURE ADDRESS)
PETB_BEN_COMMENT	100	125	12K	BENEFICIARY COMMENTS (PER MEMBER RECORD)
PETB_BEN_DETAIL	50000	114	8 CYLS	BENEFICIARY DETAIL
PETB_BEN_SECURITY	20	105	2K	BENEFICIARY ACCESS CONTROL TABLE
<b>Others</b>				
PEU.PEB900D1	4900	12	59 KB	OLD PERS FACTORS
PEU.PEB900D2	4900	12	59 KB	OLD PERS FACTORS
PEU.PEB900D3	960	14	13 KB	OLD PERS FACTORS
PEU.PEC014D1	0	80	5 CYLS	PEC060 REQUEST FILE
PEU.PEB370D1	18149	675	12 MB	OLD PERS ANNUITY FILE
PE.PER006T5(0)	200,000	660	Tape	OLD PERS CONTRIB HISTORY FILE
PE.PEC010T1(0)	200,000	660	Tape	OLD PERS CURRENT YEAR CONTRIB FILE BACKUP
PE.PEZ001T1.R1099.YRyyyy yyyy= year (2010)	55,000	2555	10 CYLS	ANNUAL ANNUITY 1099R BACKUP

#### 4.2.5.1.4 Standard Forms and Letters

There are approximately 50 pieces of standard correspondence that are produced as a part of WVCPRB's business operations. Form- and letter-templates are stored in role-accessible shared drives on the WVCPRB file server. A complete list of the standard correspondence appears in Appendix E as Exhibit 9



#### 4.2.5.1.5 Standard Reports

There are approximately 500 standard reports (as well as multiple “one-of” reports) that are produced from the system as a part of WVCPRB’s typical business processing. Note that two reports may differ from one another only in the sorting of the data for presentation. A complete list of the standard reports appears as Exhibit 10, in Appendix E.

#### 4.2.5.1.6 Print Volumes

The volumes of documents currently printed as part of the legacy pension administration system are indicated in Table 12 below.

**Table 12 Current WVCPRB Printing Volume Estimates**

PRINTING JOB	APPROXIMATE VOLUME
Member Annual Statements (yearly)	78,500
1099R IRS Forms (yearly) with attachments	60,000
Checks (monthly)	45,000 Direct Deposit & 7,000 paper checks
General correspondence (yearly)	60,000

#### 4.2.5.1.7 System Interfaces

There are both manual and electronic interfaces (i.e., file exchanges, extracts, etc.) that are a part of the current legacy system. The interfaces are described in the table below:

**Table 13 System Interfaces**

INTERFACE NAME	PURPOSE
PEIA (Public Employees Insurance Agency) is a file on the mainframe	<p>PEIA (basic life and health) withholding information supplied by PEIA via a monthly file provided on the mainframe</p> <p>WVCPRB uses the file on the mainframe as part of the Annuity Payroll batch process to execute the withholding.</p> <p>Information on what was actually withheld goes into a file for use by PEIA – and a hardcopy report of those dropped from the Annuity Payroll is prepared for PEIA use</p> <p>WVCPRB provides PEIA with new retiree service and retirement information which are entered into a CICS application owned by PEIA.</p>
FBMC (Fringe Benefits Management Corporation)	<p>FBMC (fringe benefits beyond those supplied by PEIA) withholding information supplied by FBMC via a monthly file provided on the mainframe</p> <p>WVCPRB uses the file on the mainframe as part of the Annuity Payroll batch process to execute the withholding</p> <p>Information on what was actually withheld goes into a file for use by FBMC</p>



INTERFACE NAME	PURPOSE
State Tax (WV State Tax Department)	1099R state tax records (sent to WV State Tax via secure FTP)
IRS (Internal Revenue Service) 1099R	1099R calculations records FTPed annually to the IRS
Pittsburgh Mailing	A file containing 1099Rs for retirees is FTP'd to Pittsburgh for printing, metering, and mailing
<p>Multiple manual interfaces:</p> <ul style="list-style-type: none"> <li>● AFSCME (American Federation of State, County and Municipal Employees)</li> <li>● Child Advocate for Child Support</li> <li>● Colonial Life</li> <li>● New York Life</li> <li>● PERSA</li> <li>● State Credit Union</li> <li>● United Federal Credit Union</li> <li>● West Virginia Troopers' Association</li> <li>● American General Life</li> <li>● Aetna Life Insurance</li> <li>● American Family Life</li> <li>● Conseco Health Insurance</li> <li>● United Federal Credit Union</li> <li>● Genworth Life Insurance</li> <li>● New England Life</li> <li>● Mutual of Omaha Life</li> </ul>	<p>This group of organizations may be sent a report and a check after each Annuity Payroll</p>



INTERFACE NAME	PURPOSE
State Auditor's Office (SAO) and State Treasurer's Office (STO)	<ul style="list-style-type: none"> <li>● The mainframe annuity payroll system sends monthly files of checks to be issued and direct deposits to the SAO and STO in order for them to generate checks and direct deposits. The STO returns a file of direct deposit information to WVCPRB (see description in Section 4.2.5.1.9)</li> <li>● A similar process is used for supplemental Annuity Payrolls and other disbursements</li> <li>● An annual 1099R file is sent to the SAO office for use in updating the ENOD system for Retirees</li> <li>● Each form requesting direct deposit or changing bank account information is transmitted (by fax or courier) to the SAO for their record-keeping purposes</li> </ul>
Buck Consulting (actuarial services)	The annual actuarial extract file is sent to the actuarial consultants on an annual basis using a secure FTP site. Other files may be exchanged on an as needed basis. See Appendix D, Section 2.11.3.4 for more details related to the actuarial extract file.
WV Education Information System (WVEIS)	<p>WVEIS provides a master file of state board of education payroll information for our use.</p> <p>Mainframe programs are run using payroll run numbers provided by each employer in order to extract data for the following uses:</p> <ul style="list-style-type: none"> <li>● Loans unit extracts data for loan payments withheld using mainframe program RESAA, RESAB, &amp; RESAC which are reconciled and posted to the loans system</li> <li>● The TDC Plan extracts salaries and contributions data for a given payroll period for upload to the third party administrator using mainframe programs</li> <li>● The TRS Plan extracts salaries and contributions data for a given month in order to reconcile the reports received from the employers</li> <li>● The TRS / TDC does an annual upload of salary and contribution data from WVEIS to the TRS Plan mainframe system and TDC TPA.</li> </ul>



INTERFACE NAME	PURPOSE
EPICS State of WV Payroll System	<p>Mainframe programs are run in order to extract data for the following uses:</p> <ul style="list-style-type: none"> <li>● Loans unit extracts data for loan payments withheld using a mainframe program which are reconciled and posted to the loans system</li> <li>● The TDC Plan extracts salaries and contributions data for a given payroll period for upload to the third party administrator using mainframe programs</li> <li>● The TRS Plan extracts salaries and contributions data for a given month in order to reconcile the reports received from the employers</li> <li>● TRS does an annual upload of salary and contribution data from EPICS to the TRS Plan mainframe system</li> <li>● THE PERS, JRS, DPSA &amp; DPSB Plans extracts salaries and contributions data for a given month in order to reconcile the reports received from the employers and upload the data to their mainframe systems</li> </ul>
WVDHHR Vital Statistics Records	WVCPRB access the vital statistics data base in order to obtain demographic information about our members such as date of birth, date of death, etc.
WVOT SSA Death Master File	WVCPRB access the database in order to obtain date of death matches.

#### 4.2.5.1.8 Batch Jobs

As indicated in Table 5 High Level Summary of Solution Environment, there are over 180 batch jobs in the system that run on varying frequencies (i.e., daily, weekly, monthly, and annually). A complete set of the various batch jobs, their purpose, and their frequency appears in Appendix E as Exhibit 11.

#### 4.2.5.1.9 Shared Drives

The shared drives and their contents available to various members of the WVCPRB staff are:

- **1099 Express** – for Annuity Payroll and other users for all 1099-related information. The folder includes all historical 1099 data
- **Accounting** – Accessible to all accounting and loans/Annuity Payroll users, the folder contains timesheets, check logs, letters, forms, and coversheets. Only managers have write access to the folder
- **Actuarial** – Accessible to members of the Actuarial Business Unit, this folder contains actuarial-related information
- **Apps** – An IT-specific shared folder that contains system patches, ghost images, etc.
- **Arnett and Foster Database** – Accessible to staff members working on the transfer from TDC to TRS as well as the eponymous external auditors, this folder contains all the transfer related spreadsheets, databases, tools, etc.



- **Communications Unit** – This folder contains Project subfolders, form letters, publication tools, reports, etc., for the production of pamphlets, newsletters, brochures, etc., and is accessible to the Communications Unit users
- **Compliance** – Accessible to Compliance employees, this folder contains subfolders with letters, forms, documents, reports, etc. used to produce reports or provide documentation for reference
- **Direct Deposit Files** – This folder is accessed by five (5) employees regardless of plan affiliation. It contains multiple years of retiree annuity payments made by direct deposit. The information has been received from the Treasurer's office
- **Disabilities Database** – This folder contains Access databases accessible by staff members from multiple plans. The databases contain disability retirement exams, board presentations, doctors visited, etc.; and while retaining data for future reference and update, it is also used to produce reports for any appeals, hearings, board meeting, etc.
- **Executive** – This folder is accessed only by the Executive Director, the Chief Operating Officer, the Executive Assistant, and the Office Manager. It contains information regarding Appeals, Hearings, Personnel Letters, Committee Notes, Board meeting info, Legal info, Legislative info, etc., for all WVCPRB plans, employees, members and /or retirees
- **IT Contractors** – This shared folder is accessible to the two contract programmers and the IT managers. It contains Web code, assignments, drafts, etc.
- **Loans** – Accessible to the Loans employees, this folder contains Loan calculation worksheets, letter templates, spreadsheets, employee timesheets, trackers, etc.
- **PERS** – This folder is accessed by all PERS employees. It contains forms and documents, employee timesheets, trackers, policy & procedure manuals, etc. Only managers have write access to the folder contents
- **TDC** – Accessible to all TDC employees, this folder contains letters, previous/current distributions, older databases, financial reports, etc.
- **Title 162** – Legislative Rules
- **TRS** – Accessible to all TRS employees, this folder contains subfolders of letters, forms, employee timesheets, packet docs and forms, etc.
- **Uniformed Services** – Accessible to all Uniformed Services employees, this folder contains letters, forms, tracker spreadsheets, etc.
- **Shared/Shared** – This folder is accessible to every WVCPRB employee. It contains subfolders with any kind of document, form tracker, legislative issues, etc. that any employee or manager may need to do their work. This folder is not specific to any retirement system. All employees have Read access to all subfolders while managers have Modify access.

#### 4.2.5.1.10 External Spreadsheets and Databases

To accommodate changes to legislation that have not been implemented within the current legacy system – or because processing efficiency has been aided through the creation of external spreadsheets and/or databases – members of the WVCPRB community use MS Excel and Lotus spreadsheets and Access databases for the indicated purposes. The complete list of spreadsheets and databases appears as Exhibit 12 in Appendix E.

#### 4.2.5.2 Employer Reporting (Web Contribution) Sub-System (WCS)

The complete list of WVCPRB's reporting Employers, the plans to which they report, and the means of their reporting is provided in Exhibit 13 of Appendix E. WVCPRB has recently completed a project to



enhance their web-based electronic reporting and contribution system for use by non-state reporting employers and a number of the uniformed employers as well. Some validation and any necessary reconciliation must still be done by the individual WVCPRB staff member, but the availability of an electronic file for import into the mainframe (instead of manual data entry of the payroll information) is a significant improvement. The following quantities of employers report via the electronic reporting system:

- 411 Public Employee employers (PERS)
- 15 Emergency Medical Services (EMS)
- 55 Sherriff's offices (DSRS) Payroll Contributions
- 55 Sheriff's offices (DSRS) Uniform Fees
- 55 Teacher Retirement System (TRS) counties - this system is scheduled for completion in six to nine months.
- The Web Contribution System (WCS) application, built for the Public Employee Retirement System (PERS), and Emergency Medical Service Retirement System (EMSRS) was designed to support two roles – “user” and “administrator.” With the addition of the Deputy Sheriff's Retirement System (DSRS) to the application, an additional role, known as the “fee” role, was incorporated for Uniform Fees.
- The “user” role is given to the Non-state agencies to enter/upload their monthly employee contributions data, contribution adjustments, submit (pay) the employer and employee contributions, and view the PDF reports. For agencies that prefer Automated Clearing House (ACH), the submitted contributions are sent to the STO by a scheduled job called "ACH Process" every night at 9 PM. Other (non-ACH) agencies mail their checks to a lockbox where they are processed by the STO or directly to WVCPRB for processing.
- The “administrator” role is given to the application administrator within the WVCPRB IT Section at WVCPRB for the following purposes:
  - To manage Agencies, Contacts, User logins, and Admin logins
  - To view agencies' contribution data and PDF Reports, to Roll back, and to Roll forward contribution submissions
  - To download the monthly data to mainframe and to maintain Contribution rates, Web messages and Security questions.
- The “fee” role is given to the counties to enter/upload their monthly uniform fees and view the PDF reports. For agencies that prefer Automated Clearing House (ACH), the submitted uniform fees are sent to the STO by a scheduled job called "ACH Process" every night at 9:45 PM. Other (non-ACH) agencies mail their checks to a lockbox where they are processed by the STO or directly to WVCPRB for processing.

The WCS application notifies WVCPRB's administrator (by automatic email) that an employer has made a submission via the WCS (where each submission is typically based on the data from the previous month, thus decreasing data entry errors). The administrator then validates the submitted information and, once a month, downloads the accumulated submissions to the mainframe. There the file containing all (manually entered) information from employers who do not use the WCS, is augmented by the WCS data and the complete data set used by a monthly batch process to update the member records.

The benefit WVCPRB obtains from the automated process is the greatly increased accuracy of employer data entry.





#### 4.2.5.2.1 WCS Hardware and System Software

The WCS server resides within the WVOT office. WVOT office does all database administration since CPRB does not have a Database Analyst (DBA) on staff. The server's configuration is presented below:

**Table 14 Office of Technology's Existing ColdFusion Server Configuration**

WEB SERVER DETAILS	
SERVER ROLE	Cold Fusion Web Hosting
SERVER LOCATION	Capitol Complex Building 6 Computer Room
HARDWARE CONFIGURATION	
SERVER BRAND	Dell
SERVER MODEL	Power Edge 2650
CPU TYPE	Intel XEON 3.20 GHz, single core, hyper-threaded
CPU NUMBER	2
DISK SPACE	145 GB (RAID – 1 mirror)
MEMORY	4 GB
SOFTWARE CONFIGURATION	
OPERATING SYSTEM	Windows 2003 Standard Edition
PATCH LEVEL	Service Pack 2 with all current Windows patches
SECONDARY APPLICATIONS	
Other OT-hosted Cold Fusion web applications.	

#### 4.2.5.2.2 WCS Application Software

In addition to the application specific software listed below, the WCS Application runs in an environment that includes ColdFusion Macro Language (CFML), eXtensible Markup Language (XML), HyperText Markup Language (HTML), and JavaScript. The EMS application makes use of the software presented in Table 15 below:

**Table 15 WVCPRB's Current WCS Application Software**

SOFTWARE NAME	DEVELOPER	VERSION	PURPOSE
ColdFusion MX	Adobe	7 / 8	Development language
Fusebox	Freeware	5.5	Framework architecture for WCS
ColdFusion Components	Adobe	-	Pre-built software components
ColdFusion Report Builder	Adobe	7.0	Used to build exportable PDF reports
Adobe Design Premium	Adobe	CS3	Complete application suite
Snagit	Snagit	9.1	Used to capture screenshots for



SOFTWARE NAME	DEVELOPER	VERSION	PURPOSE
			documentation
SQL Server	MS	2005	Stores submitted data until downloaded to the mainframe
WS FTP	IPSWITCH	9.01	File Transfer Utility

#### 4.2.5.2.3 WCS-Specific Data

The web based Contributions System data resides in databases named CPRBWCPERS, CPRBWCEMS, CPRBWCDTRS, and CPRBWCTRS. They are made up of 25 tables and require approximately 850 MB of storage to store the current PERS member contribution and transaction log data.

There are a number of documents available to document the WCS system. The most important are:

- PERS Data Dictionary contains a detailed database description and data input/output specifications
- PERS User Manual contains a WCS User Guide
- PERS Reports contains a handbook on the various reports produced by the WCS system
- EMS Data Dictionary contains a detailed database description and data input/output specifications
- EMS User Manual contains a WCS User Guide
- EMS Reports contains a handbook on the various reports produced by the WCS system
- DSRS Data Dictionary contains a detailed database description and data input/output specifications
- DSRS User Manual contains a WCS User Guide
- DSRS Reports contains a handbook on the various reports produced by the WCS system
- TRS Data Dictionary contains a detailed database description and data input/output specifications
- TRS User Manual contains a WCS User Guide
- TRS Reports contains a handbook on the various reports produced by the WCS system

These documents will be available to the successful vendor after contract award.

#### 4.2.5.3 Financial Management Sub-System

Many new pension administration solutions implemented at public retirement system sites include comprehensive financial accounting capabilities (typically General Ledger, Accounts Receivable, Accounts Payable, and Cash Management). Financial applications are typically not bundled with the LOB solution but rather acquired from third party vendors and integrated with the overall solution by the LOB vendor. Most LOB vendors have considerable experience in successfully integrating various mainstream financial packages with their solutions. Retirement transactions then automatically spawn updates to the financial application database, which are accumulated and periodically posted.

WVCPRB is fortunate in that they have already installed and are familiar with Microsoft Dynamics. WVCPRB uses only the General Ledger, Accounts Payable, and Accounts Receivable modules of Dynamics, making manual entries of data from their legacy pension administration system into both WVFIMS and MS Dynamics. It is WVCPRB's goal to automate the (rolled up) feed from the new Pension Administration System (PAS) to MS Dynamics.

The vendor supporting MS Dynamics is Intellipoint, located in Huntington WV.



#### 4.2.5.3.1 Financial Management Sub-System Hardware and System Software

Users of this system connect to the SQL databases via an Open Database Connectivity (ODBC) driver connection as well as the software client loaded on each individual's pc. They also map a network drive to the "shared" folder on the server for dictionary connectivity and specialty reports.

**Table 16 WVCPRB's Existing Financial Management Server Configuration**

MS DYNAMICS SERVER DETAILS	
SERVER ROLE	MS Dynamics Server
SERVER LOCATION	4101 MacCorkle Avenue
HARDWARE CONFIGURATION	
SERVER BRAND	Dell
SERVER MODEL	2900
CPU TYPE	Dual Core Xeon 5050 3 GHz each
CPU NUMBER	2
DISK SPACE	240 GB (3 x 80)
MEMORY	4 GB
SOFTWARE CONFIGURATION	
OPERATING SYSTEM	Windows Server 2003 with SQL Server 2003 & 2008
PATCH LEVEL	Service Pack 3
SECONDARY APPLICATIONS	
None	

#### 4.2.5.3.2 Financial Management Application Software

CPRB uses Microsoft Great Plains (GP) accounting software (Version 10.0, currently in the process of upgrading to 11.0) for its general ledger accounting functions. The data files reside on the server and are accessed using the GP desktop software. Two accounting technicians enter transactions at a summary level from information provided by the plans from the mainframe systems. By summary we mean that contributions and cash receipts are captured at the employer level and not the individual member level. Also benefit payments (Annuity Payroll) is entered as a single transaction for each retirement plan payroll and not at the individual payee levels. This is acceptable because the detail is maintained on the mainframe system. An accounting manager reviews all transactions before posting. The accounting manager also reconciles all accounts and produces reports from the GP system.

There are separate companies established in GP for each retirement plan and one for the administrative fund (CPRB Expense Fund). This is necessary because all funds, and therefore all accounting, must be segregated by plan and used only for plan purposes. Each of these company accounts is reconciled monthly (via manual data entry) to the WVFIMS system which is the statewide accounting, payment processing, and treasury system.



#### 4.2.5.3.3 Financial Management Sub-System-Specific Data

All data is retained on the GP server located in the WVCPRB server area. The server is backed up to the WVOT nightly using Avamar. The data structure is the standard structure used by GP. No modifications have been made.

#### 4.2.5.4 Enterprise Content Management (ECM) Sub-System

WVCPRB has invested several years of backfile conversion experience in the Documentum ApplicationXtender (Imaging) product, also using the product for image capture and archiving and WebXtender for user viewing. Like most commercially available mainstream imaging products, ApplicationXtender is fully functional and has an application programming interface (API) that would allow it to be readily integrated into a new LOB solution. The vendor supporting ApplicationXtender is ImageServ, with EMC as their knowledge base vendor.

Since they have no electronic workflow, WVCPRB does no pre-processing scanning. Mail is picked up at the Capitol post office, opened, stamped, sorted, and delivered to business users for processing. “Hard copy” or paper records are prepped for scanning by the business users and returned to image services subsequent to processing. All documents are sorted by Application (“Application” is the term used by Documentum’s ApplicationXtender for a class of documents, e.g., Employer or Member records), then document type, scanned into the system, and indexed. Once this process is complete, all documents are available for the users to view/print through WebXtender. Users will use index information specific to their business area for retrieval. For example, Accounting Application users will do a query using the member identifier while Retirement Application users will query using SSN.

##### 4.2.5.4.1 ECM Hardware and System Software

The Imaging Application server, along with the Hard Drive Storage Server, is located at 4101 MacCorkle Avenue in the secured server room. It is a dedicated server housing the ApplicationXtender Software, additional modules for Mainframe reports, Annuity Payroll books dating back fifty years, and .pdf files, and modules for automatic import and indexing of miscellaneous reports and letters. Data tables and databases utilize SQL Server and are also stored on the server.

Scanning employees connect to the server via an ODBC driver connection. There are currently two different models of scanners (using USB connectivity to PC) in use: a Canon DR4010 C and a Canon DR5010 C. Both scanners can do duplex and color scanning; neither of these latter functions is currently used, but the capability exists should it be required.

Current ECM capabilities are described in Table 17 below.

**Table 17 WVCPRB's Existing File and Image Storage Server Configuration**

IMAGE SERVERS DETAILS		
SERVER ROLE	ApplicationXtender Image Server	Image Storage Server
SERVER LOCATION	4101 McCorkle Avenue	
HARDWARE CONFIGURATION		
SERVER BRAND	HP	Express-Stor
SERVER MODEL	SB DL180 G6 E5606	ES 250
CPU TYPE	Xeon E5620	Xeon



IMAGE SERVERS DETAILS		
CPU NUMBER	2	1
DISK SPACE	4 TB (4 x 1 TB)	1 TB (4 x 250 GB)
MEMORY	16 GB	2 GB
SOFTWARE CONFIGURATION		
OPERATING SYSTEM	Windows Server 2008 R2 with SQL Server 2008	Microsoft Windows 2003 storage software
PATCH LEVEL	Service Pack 1	
SECONDARY APPLICATIONS		
None		

WVCPRB has the following scanning hardware:

- One Minolta Micro SP 2000 is used to convert existing microfilm to electronic images. This conversion effort is continuing. When complete, the Minolta will be discarded.
- Two Canon DR4010 scanners that scan at up to 64 images per minute using a 100-sheet automatic document feeder (ADF). WVCPRB, uses the scanners in simplex, bi-tonal mode and the advanced text enhancement capability is not used
- Two Canon DR-5010C scanners that scan at up to 50 pages per minute using a 100-sheet ADF. Like the 3080, WVCPRB uses these scanners in simplex, bi-tonal mode, but they are sometimes used for scanning of large format (11" x 17") green-bar computer output

WVCPRB currently has no Fax Server capability. All fax services are provided by means of the Minolta BizHub and Sharp copy machines. Using that hardware, WVCPRB processes 120 inbound and 130 outbound faxes a day.

#### 4.2.5.4.2 ECM Application Software

The specific Documentum software modules used include:

**Table 18 ECM Application Software**

MODULE	REVISION	PURPOSE
ApplicationXtender Document Manager	5.4	Used for document indexing, scanning QA, storage, and retrieval management
ApplicationXtender Image Capture	5.4	Used for scan batch creation and scanning
WebXtender	5.40.190	Browser-based viewer

The Documentum application is currently supported by ImageServ, a Documentum implementation partner.



#### 4.2.5.4.3 ECM Sub-System-Specific Data

There are 21 classes (applications in the parlance of ApplicationXtender) of documents currently stored in the system. The classes are:

- Accounting (i.e., employer records)
- Actuary
- CPRB Reports
- CPRB Board Books
- Executive correspondence
- Film – Microfilm
- FilmBkup – Microfilm
- Finance 1099 – Vendor Files 1099
- Finance B Notices – Vendor Files B Notices
- Finance W8 – Vendor Files W8
- Finance W9 – Vendor Files W9
- Guest Register – Guest Register
- Internal Audit – Internal Audit
- IT Purchases – IT Purchases
- Loan Reports – Loan Reports
- PERS 1961-1963 – From ScanTrax
- Personnel – Human Resources
- Refund Books – From ScanTrax
- Retire (i.e., member records)
- Retire Contributions – Retirement Contributions

Table 19 provides a summary of the quantities of documents involved in the current imaging solution:

**Table 19 Current Document Quantities**

ITEM	QUANTITY
Daily pieces of incoming mail	100 pieces/day
Daily pages of incoming mail	150 pages/day
Daily pages of generated correspondence	100 pages/day
Daily pages of additional member-related documents	1500 documents (5000 pages)/day
Total member records in imaging system	85,000 Membership files
Average number of pages per membership file	7½ pages
Total employer records in imaging system	60,000 employer records
Average number of pages per employer record	15 pages
Total non-LOB documents (e.g., HR)	20,000 documents
Average number of pages per document	3 pages

Documents in the Accounting application (primarily employer wage and contribution reports that have been submitted quarterly) should use the indexing structure indicated in Table 20. They are scanned into the Accounting Application as Monthly Reports. Employer records are scanned and indexed under the same guidelines for all documents. Depending on the document type, the employer identifier and name fields are used somewhat differently, an issue that might be addressed by adding a fifth index in future.



**Table 20 Current Folder Level Employer Record Index Structure**

INDEX	MAXIMUM SIZE
Employer Identifier*	5
Employer Name	40
Document Type	40
Document Date	10
Batch Number*	10

\* Not yet implemented, but required as part of new system

Documents in the Member Record class have been indexed using the following indexing structure:

**Table 21 Current Folder-Level Member Record Index Structure**

LIST OF MEMBER INDICES	MAXIMUM SIZE
Social Security Number	9
Membership Number <sup>*4</sup>	TBD
First Name	20
Last Name	20
Document Name / Type	30
Document Effective Date	12
Scan Date	12
Batch Number	12

The current document typing scheme leverages the fact that most of WVCPRB's business processing typically uses a packet of documents, i.e., retirement processing requires a retirement application, a beneficiary designation, a birth certificate, a marriage certificate, etc. Most documents are not currently stored as individual document types but as images in a packet (a multi-page document). Therefore, as an example, users know to look for member birth certificates as one image in a multi-page retirement document type or as one image in a (possibly) multi-page vital document or as one image in a multi-page Address/Name Change document or as Judges Active, etc. The Document Types currently in use and the common documents contained within those types are listed below:

<sup>4</sup> Not yet implemented, but required as part of new system; see Appendix D, Section 2.4.6.3.2



**Table 22 Document Types in Use at WVCPRB**

DOCUMENT TYPE	TYPICAL DOCUMENTS
Address/Name Change	Address and Name Change Applications, Marriage Certificates, Divorce Decree
Beneficiary Form	Designation of Beneficiary Form
Critical Need	Documentation of retiree filling a critical need
Death File (Average of 15 pages per file)	Death Certificate, Designation of Beneficiary Form, Marriage Certificate, Correspondence
Direct Deposit	EFT Form, Voided check
Disability Earned Income	Request for Income Verification, correspondence
Disability Files	Application for disability, correspondence, doctor's reports, board rulings, (as of 4/27/10, no historical medical documents)
Enrollment form	Enrollment form
Estimates	Requests for estimates, actual estimate
Income Tax Information	1099R, PSO documentation
Judges Active	Enrollment form, beneficiary forms, marriage certificates, birth certificates, correspondence
Judges Miscellaneous	Varied
Judges Retirement	Requests for estimates, actual estimate, retirement application, marriage certificate, birth certificate
Less Than Honorable Service (LTHS)	All documents associated with LTHS
Loan File	Application, Agreement, correspondence, eligibility screen shots, Calculation sheets
Loans Transfer	Loan information (Application, Agreement, correspondence, eligibility screen shots, Calculation sheets) for members transferring from TDC to TRS
Microfilm	Copy of any document that was scanned to microfilm
Miscellaneous Active	Varied
Miscellaneous Retirement	Varied
Military Service	DD214
Monthly Change Letter	Changed pay stub





DOCUMENT TYPE	TYPICAL DOCUMENTS
Prior Service	Application for purchase of service, supporting documentation, cost estimates, correspondence
Public Service Officer	Insurance premium deduction form
QDRO	Only Qualified Domestic Relation Orders, Divorce Decree
Refund	Application for refund, calculation sheet, copy of warrant by which payment made
Reinstatement	Application for purchase of service, supporting documentation, cost estimates, correspondence
Rescind	Voided copy of retirement application
Retirement File	Application for retirement, estimate, marriage certificate, birth certificate, option form, correspondence, calculation sheets, screen shots, employer certifications
Sheriff's Active	Enrollment form, beneficiary forms, marriage certificates, birth certificates, correspondence
Sheriff's Disability	Application for disability, correspondence, doctor's reports, board rulings, (as of 4/27/10, no historical medical documents)
Sheriff's Miscellaneous	Varied
Sheriff's Retirement	Requests for estimates, actual estimate, retirement application, marriage certificate, birth certificate
Service Purchase	Application for purchase of service, supporting documentation, cost estimates, correspondence
Statements	Annual member statement
Surviving Dependents	Death Certificate, Designation of Beneficiary Form, Marriage Certificate, Correspondence, Screen shots
Trooper A's Active	Enrollment form, beneficiary forms, marriage certificates, birth certificates, correspondence
Trooper A's Disability	Application for disability, correspondence, doctor's reports, board rulings, (as of 4/27/10, no historical medical documents)
Trooper A's Miscellaneous	Varied



DOCUMENT TYPE	TYPICAL DOCUMENTS
Trooper A's Retirement	Requests for estimates, actual estimate, retirement application, marriage certificate, birth certificate
Trooper B's Active	Enrollment form, beneficiary forms, marriage certificates, birth certificates, correspondence
Trooper B's Disability	Application for disability, correspondence, doctor's reports, board rulings, (as of 4/27/10, no historical medical documents)
Trooper B's Miscellaneous	Varied
Trooper B's Retirement	Requests for estimates, actual estimate, retirement application, marriage certificate, birth certificate
TDC Active	Enrollment form, beneficiary forms, marriage certificates, birth certificates, correspondence
TDC Beneficiary	Designation of Beneficiary
TDC Enrollment	Enrollment form
TDC Final Cost	Final cost packet for TDC to TRS transfer
TDC Miscellaneous	Varied
TDC Transfer	Some of the documentation associated with TDC to TRS Plan transfers
Vital Statistics	Birth, Marriage and Death Certificates, SSN Card, Driver's Licenses Adoption Records, Divorce Decree

#### 4.2.5.4.4 Correspondence Generation

The sections below describe the various ways in which correspondence is currently managed in the individual business units.

##### 4.2.5.4.4.1 Annuity Payroll

Annuity Payroll generates three types of correspondence from the mainframe. The first type is the Direct Deposit Start letter. This letter memorializes when annuitant is first added to direct deposit. The letter is generated before the monthly payroll is processed. The second is the Annuity Payroll change letter (also called the direct deposit change letter) which is generated from the monthly Annuity Payroll processing and varies in quantities from 2,000 to 30,000 per month. These are imaged into the retirees file by SSN. WVCPRB is imaging the letters using a process that uses automated capture with ACIF (IBM product from the mainframe) software to replace the current manual scanning process. The third type of correspondence is the income verification letter. These are printed upon request from the mainframe to a local printer. They are then copied, stuffed, and mailed or faxed by the Annuity Payroll unit. The copies are imaged by SSN and the paper discarded.



The other major types of correspondence generated by Annuity Payroll are the First Letters generated from Word using a mail merge with an Excel spreadsheet. This is the equivalent of a check stub for the initial retirement check. These are printed at the unit employee's desk on letterhead, copied, stuffed with the checks, and mailed.

Annuity Payroll also fulfills requests for between 100 and 200 blank forms per day in addition to other correspondence. The forms are sent to retirees for address changes, withholding changes and direct deposit changes. Annuity Payroll also replies to letters from retirees related to name changes, power of attorney, credit union withholdings, etc. These are printed at the unit employee's desk on letterhead, copied, stuffed with the checks, and mailed.

#### **4.2.5.4.4.2 Loans**

The loans unit generates the promissory note, amortization schedule, and cover letter for all new loans using a process similar to the Annuity Payroll income verification generated above. Currently all other correspondence form letters are generated using Word and established template letters. WVCPRB is currently using a mainframe application that would do loan balance letters in a manner similar to the income verification done by Annuity Payroll as described above.

#### **4.2.5.4.4.3 Plans**

All retirement plans generate significant amounts of correspondence as described in the business processes outlined in Section EXH 15.

#### **4.2.5.5 Telephony Sub-System**

WVCPRB uses the Cisco phone system supplied and maintained within the State's Office of Technology. That system was implemented (in 2004) and is maintained by Frontier. It has a current capacity of 30,000 end points. The system underwent a major upgrade (now at rev 6.14) in the middle of 2009; there are no current plans for further upgrades other than patches as required. The major features in current use by WVCPRB are UCCS V5.02 Unified Communications Contact Center Express. This allows for automated menus that can be navigated with touchtone key presses to route calls to appropriate extensions.

WVCPRB currently receives approximately 425 calls a day. In accordance with State policy, all of the calls are answered by one of four receptionists (calls are routed to the receptionist who has handled the fewest calls). If all receptionists are busy, the caller is presented with an automated menu which relies on touch-tones to select the ultimate destination. In the event that nobody is available to answer, there are separate voicemail boxes for each of the agency's departments, and a user can choose to leave a message or continue to hold. Reporting is available to managers for such things as:

- Amount of time agents are logged in and ready to talk
- Calls
- Amount of time on the phone
- Total number of calls

#### **4.2.5.5.1 Telephony Hardware and System Software**

Basic telephone extension information is stored on a server associated with the Cisco Call Manager. Another server associated with the Contact Center supports / hosts the Interactive Voice Response (IVR) capability and call centers throughout the State Government complex. There are also two voicemail servers, one with Unified Messaging Services and another offering basic voicemail. All of these servers



are linked to the Call Manager server and all of the equipment which is located in the server room in Building 6 at the Capitol is configured and maintained by the WV Office of Technology.

WVCPRB is using Cisco Unified Contact Center Express 5.0 which includes IVR functionality. Cisco Unified Contact Center Express 5.0 offers an integrated, full-featured solution for managing customer contacts. It is part of a comprehensive solution that includes network infrastructure, security, wireless, management applications, lifecycle services, flexible deployment and outsourced management options, and third-party applications.

Currently, WVCPRB employs a touch tone menu system in the event that an operator is unavailable to answer a call. No voice recognition or database integration is currently being used. The menu allows a user to choose their retirement division (TRS, PERS, JRS, etc.) and the call is routed to that group. Calls are sent to the agents that have received the fewest calls to maintain a balanced workload (the same thing is true for the operators).

The switch is on-site at 4101 MacCorkle Avenue in a locked room inside the IT Section. The Cisco Catalyst 3650 series is connected by fiber optic supplied by Suddenlink. This configuration supplies WVCPRB with Gigabit POE at each network drop. Servers for this system are configured and maintained by the WV Office of Technology. Any problems, changes, or upgrades require a Service Desk HEAT ticket and a telecommunications change request (TCR) be recorded.

Current telephony service capabilities are described in Table 23 below.

**Table 23 WVCPRB's Existing Telephony Services**

TELEPHONY SERVICES		VERSION
Hardware	CISCO IP Phone 7961	N/A
Software	CISCO Unified Contact Center Express Agent Desktop	Version 5.0, Build 6.4.2.12
	CISCO Unified Contact Center Express Supervisor Desktop	Version 5.0, Build 6.4.2.12
	Cisco Customer Responses Solutions Historical Reports	Version 5.0 (2.4)
Operating System	Agents Windows XP Server Cisco version of a Linux Kernel	N/A

#### 4.2.5.5.2 Telephony Application Software

Current versions of the applications pertaining to the phone system are provided by the WVOT and stored on the WVCPRB file server. Installation of the software uses default settings; the software will prompt to update itself when updates are available. WVCPRB staffs manage the patching / updating process.

#### 4.2.5.5.3 Telephony Sub-System-Specific Data

Users are required to log on to the CISCO Agent Desktop software in order to receive calls. For security purposes, each user has a username / password. Once logged on, users can go into the “ready” or “not ready” state. Calls are intelligently routed to the users that are in the “ready” state that have received the least amount of calls.



#### 4.2.5.6 Other Sub-Systems

There are four other “services” of note of which WVCPRB takes advantage in the current configuration and that the agency highly desires to continue to leverage in a new solution:

- Print shop
- Check printing
- Backup Services
- Social Security Administration (SSA) Death List

These services are described in the sections that follow.

##### 4.2.5.6.1 Print Shop Capability

WVOT maintains a print shop to which CPRB sends material for bulk printing, stuffing, sorting, and mailing. Files are transmitted to the Print Shop in AFP (IBM's Advanced Function Printing) format both from the mainframe and from dongle-equipped PCs. Each page in each transmitted file must be uniquely bar-coded so that the automated handling machines can perform the appropriate sorting, folding, and stuffing of windowed envelopes. Subsequent to automated processing, the Print Shop staff will also pull and stuff pre-printed material to create content packages of up to ten pages.

Additional characteristics of the Print Shop capabilities include:

- Simplex and duplex printing of the contents of PDF (as opposed to AFP format) files that may be transmitted once- or possibly twice-a-day as batched print files (there is no support for the printing and processing of single letters; they must be batched)
- Application of red highlight during the print process, but not full color
- Subsequent (to printing, folding, stuffing, etc.) processing that includes sorting by zip codes, the application of bulk rate postage, and appropriate billing back to WVCPRB

##### 4.2.5.6.2 Check Printing

While WVCPRB strives to minimize the number of printed checks produced each month, there are always some recipients who insist on paper checks and some checks that need to be printed because this is the first time a payment has been made to a particular recipient. Currently WVCPRB transmits a file to the State Auditor's office containing all checks that need to be printed for each monthly Annuity Payroll and weekly supplemental payment processing.

##### 4.2.5.6.3 Backup Services

WVOT provides client-requested backup services for all devices and file systems in Charleston. The service is currently provided by a Tivoli, version 5.5.4.0, system that, given an IP address and a fully qualified path name, will perform incremental daily backups and a weekly full backup of server-managed files. Because WVCPRB has not purchased the required SQL Server client-specific Tivoli add-on software, WVCPRB must currently take a snapshot of their imaging and MS Dynamics SQL Server databases (without that client software add-on, Tivoli will not make a successful backup of a SQL Server database for which the SQL Service is running). In addition to the image and Dynamics databases, WVOT also performs back up services for the WVCPRB file server.

WVOT has purchased and is applying to all future applications EMC2's Avamar 5.0 deduplication software. This package operates in the same way as the Tivoli package (requiring an IP address and a fully qualified path name to each of the files to be backed up) but is viewed as a more robust, faster, and easier to administer package. In addition, WVOT provides and installs the client-specific software that



permits them to perform backups of live SQL Server, Oracle, and (possibly) DB2 databases at no additional cost to the client. Any new LOB application should take advantage of this service.

#### **4.2.5.6.4 Social Security Administration (SSA) Death List**

The WV Office of Technology makes mainframe access to the SSA death list available to WVCPRB. WVCPRB runs two monthly batch processes (annuitants and contributors) comparing WVCPRB member lists against the SSA list. Reports generated by the batch processes are transmitted to the business units for appropriate processing; the electronic version of same is archived by the internal auditor.

#### **4.2.5.7 State ERP Implementation Project**

The State of West Virginia is in the initial phase of implementing a statewide enterprise resource planning system, named WVOASIS. The undertaking is a joint effort sponsored by three Constitutional Officers: the Governor, the State Auditor and the State Treasurer. The basis for this combined Executive Sponsorship is due to the shared responsibilities for financial management and human resource/payroll administration.

WVCPRB anticipates that WVOASIS will fully or partially replace approximately 100 of the State's existing legacy business applications, some of which are currently integrated with WVCPRB's legacy application.<sup>5</sup> The existing applications and database environments are considered technologically obsolete; many have no vendor support or available security patches. The affected interfaces, and the phases in which it is anticipated they will be modified by the ERP implementation are addressed in Appendix D, Section 2.5.8.3.3.

Among the anticipated benefits, the new system is to:

- Replace and consolidate existing administrative systems that are redundant, aging and risking technological obsolescence.
- Automate and seamlessly integrate the State's financial accounting, procurement, personnel, payroll, budget development and other business processes within a single database enabling improvement of business functions, and access to information
- Eliminate duplicate data entry, storage and processing, as well as reconciliation tasks
- Support real-time data update, retrieval, validation enabling significant improvement in the quality, quantity and timeliness of information used in decision-making, and more efficient and accurate research capability
- Eliminate paper documents (e.g., vouchers) and reduced paper and handling costs
- Provide efficient processing and control of electronic "documents" through workflow management, providing for document routing, review, and approvals, and online inquiries
- Provide web-enabled self-service for all state employees and vendors that do business with the State

Through the RFP process, CGI was chosen as the successful vendor to provide and implement the ERP solution. The WVOASIS implementation schedule is as follows:

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<sup>5</sup> The use of the word "will" in this instance is related to third party performance and not a mandatory requirement on the part of the vendor.



**Table 24 Planned WVOASIS Implementation Schedule**

PHASE	IMPLEMENTATION PERIOD	GO-LIVE
1 – CORE FINANCE & PROCUREMENT	DECEMBER 12, 2011 – OCTOBER 1, 2013	OCTOBER 1, 2013
2 – REMAINING FINANCE & PROCUREMENT AND TRANSPORTATION	FEBRUARY 14, 2012 – APRIL 1, 2014	APRIL 1, 2014
3 – HUMAN RESOURCES & PAYROLL	JANUARY 3, 2012 – JANUARY 2, 2014	JANUARY 2, 2014
4 – TRANSPORTATION & FACILITIES	FEBRUARY 11, 2013 – JULY 1, 2014	JULY 1, 2014

Additional information on WVOASIS may be obtained at the following website:

<http://www.wvoasis.gov/Default.aspx>

#### **4.2.6 CURRENT AS IS BUSINESS FUNCTIONALITY**

WVCPRB “as is” functionality is defined in the form of process documentation. Refer to Appendix E, Exhibit 15 WVCPRB Business Processes for documentation of the processes. As noted in Section 4.2.3 Current Business Processes, WVCPRB performs most processes that are common to public retirement administration. In addition to most standard defined benefit processes, vendors should note that WVCPRB also provides the following services:

- Loans for a subset of the active member population
- Pass-through administration of a defined contribution plan for a subset of the active member population.

#### **4.3 QUALIFICATIONS AND EXPERIENCE**

Vendors should provide in Tab I information regarding their firm, such as staff qualifications and experience in completing similar projects; references; copies of any staff certifications or degrees applicable to this project; proposed staffing plan; descriptions of past projects completed entailing the location of the project, project manager name and contact information, type of project, and what the project goals and objectives were and how they were met.

#### **4.4 PROJECT GOALS AND OBJECTIVES**

The project goals and objectives are discussed in the following sections. Using Appendix A, the vendor should respond to each section with a narrative discussion of how their proposed solution meets (or exceeds) each of these goals.

##### **4.4.1 IMPLEMENT A FULLY INTEGRATED PENSION ADMINISTRATION SOLUTION**

The primary objective of this project is to implement a stable, state-of-the-industry, fully integrated solution capable of supporting WVCPRB’s mission well into the 21<sup>st</sup> century (for at least 10 years). It will enable WVCPRB staff to perform their duties associated with financial accounting, calculation of member



retirement estimates, employee contribution and benefits, maintaining wage and contribution information, maintaining service credit information, processing requests for information, contribution refunds, contribution paybacks, purchase of service credit, withholding of health insurance premiums, and actual retirement (i.e., including but not limited to researching/reviewing the member's service credits and wage and contribution history, calculating benefits, setting forth retirement options, adding the member to the benefits payment capability), using the workstations (PCs) on each desk tied together through a WVCPRB-wide network via a browser-based system.

#### 4.4.2 PROVIDE OPERATIONAL PROCESS IMPROVEMENTS

Additional objectives to be served by this procurement include:

- Improved service levels to members
- Improved, centralized management of member, retiree and employer information through Customer Relationship Management (CRM) or CRM-like capabilities
- Improved system workflow and greatly increased work efficiency
- Increased and improved Web-based, self-service functions to members, retirees, and employers. See the address below for the current WVCPRB website:

<http://www.wvretirement.com/Index.html>

- Improved accuracy of all information collected, maintained, and provided by WVCPRB
- Improved timeliness and accuracy of responses to members' inquiries
- Improved system audit and control capabilities
- Improved management reporting features
- Inclusion of any proven new technologies that can provide cost-effective benefits to WVCPRB's members
- A secure environment for the receipt and transmittal of information related to members, retirees, and employers.

#### 4.4.3 INTEGRATION OF OPERATIONS

In addition to the pension application, WVCPRB greatly desires that the new solution include, but not be limited to, procedures and workflow management elements as well as computer hardware and software components to support WVCPRB's requirements (detailed in subsequent sections of this RFP). This includes all necessary documentation, training materials, and training in procedures and software.

“Standard” workflow management capabilities (examples including, but not limited to, conditional routing, automated work item suspension (and resumption), queue management and ability to modify work packet routing) should be included in the proposed solution. Any workflow queues should be unlimited in size. The system should allow workers to organize how they want to work, i.e., in what order they want information presented to them – including, but not limited to, by date, by priority, and by type of work.

The proposed solution should offer complete integration of information processing, imaging, and other proposed and existing technologies, e.g., internal e-mail and workflow management, as well as all proposed and authorized options.

#### 4.4.4 GREATER CUSTOMER ACCESSIBILITY AND MEMBER SELF-SERVICE

Finally, and perhaps most important, WVCPRB requires that the new solution continue to assist the staff in their mission of providing the best possible service to their membership. WVCPRB is committed to increasing its use of technology in providing ever more accessible and member-oriented service to its membership. WVCPRB looks to the new solution to help move from the use of postal mail to far more





extensive use of email and other Web-based technologies for WVCPRB's member-based communications. WVCPRB views Web-based, member self-service as a significant goal in the implementation of a new LOB solution.

#### **4.4.5 A SOLUTION THAT MEETS WVCPRB'S GOALS FOR AT LEAST THE NEXT TEN YEARS**

WVCPRB desires to accomplish these goals with a turnkey solution, including as much standard “off-the-shelf” technology and software as possible, to optimize both efficiencies and effectiveness in its retirement services delivery offerings. WVCPRB greatly desires a solution which meets or exceeds all functional and performance requirements set forth in this RFP for 10 years after the end of the warranty period defined herein.

Vendors are encouraged to present solutions that embrace enabling technologies: examples include, but are not limited to zero-footprint, browser-based applications, relational database management systems, and workflow management. WVCPRB desires a solution based on mature, proven technologies (not one old and antiquated, i.e., at or near the end of its life cycle), including but not limited to hardware and software. The solution proposed to WVCPRB should generally reflect the capabilities available to the most technologically enabled state-wide public retirement systems. WVCPRB desires proposals for modern solutions, i.e., open solutions, modern database management capabilities, and user-friendly interfaces. However, WVCPRB does not wish to be a test or “beta” test site for any technologies or solutions.

#### **4.5 SUPPLEMENTAL BACKGROUND INFORMATION**

Included in Appendix E are a series of exhibits containing supplemental background information which is not included in the body of the RFP itself. This information will be provided on a compact disk at the Pre-Bid Conference after the vendor has signed a non-disclosure agreement.

The Exhibits included in Appendix E are as follows:

- EXH 1 Glossary of Terms Commonly Used at WVCPRB
- EXH 2 Sample of Non-Disclosure Document
- EXH 3 West Virginia Vendor Preference Certificate
- EXH 4 Building Access Policy
- EXH 5 Visitor Computer Access Policy
- EXH 6 Network Infrastructure Diagram
- EXH 7 Current Chart of Accounts
- EXH 8 Standard Forms
- EXH 9 Standard Correspondence
- EXH 10 Standard Reports
- EXH 11 Batch Jobs
- EXH 12 WVCPRB's Spreadsheets
- EXH 13 Employers who Report Information to WVCPRB
- EXH 14 WVCPRB Disaster Recovery Plan (DRP)
- EXH 15 WVCPRB Business Processes
- EXH 16 Vendor Client Reference Form
- EXH 17 Vendor Staff Experience Summary Form



- EXH 18 - EXH 25 Replicas of Cost Proposal Schedules

## 4.6 MANDATORY REQUIREMENTS

The following mandatory requirements must be met by the Vendor as a part of the submitted proposal. Failure on the part of the Vendor to meet any of the mandatory specifications shall result in the disqualification of the proposal. The terms “must”, “will”, “shall”, “minimum”, “maximum”, or “is/are required” identify a mandatory item or factor. Decisions regarding compliance with any mandatory requirements shall be at the sole discretion of the Purchasing Division.

### 4.6.1 TEMPORARY OFFICE SPACE

The vendor must agree to procure temporary office space suitable to house its own team and up to eight co-located WVCPRB staff members.

### 4.6.2 FULL-TIME PROJECT MANAGER

The vendor must designate a single full-time project manager to represent the vendor and oversee the project.

### 4.6.3 DATA DICTIONARY AND SCHEMA DEFINITION

As part of the delivered solution, the vendor must provide both a data dictionary (including table descriptions, field or column definitions and types, defined keys, and value domains) and a schema definition for use by WVCPRB in using the ad hoc query and reporting capability

### 4.6.4 PERPETUAL, NON-EXCLUSIVE, IRREVOCABLE LICENSE & RIGHT TO PURCHASE LOB SOURCE CODE

The vendor must grant to WVCPRB a perpetual, non-exclusive, irrevocable license to the software and the right to purchase the **source code of the LOB application software**, for purposes of maintaining and extending the solution.

## 4.7 ORAL PRESENTATIONS

WVCPRB will request vendors to provide presentations and/or product demonstrations at WVCPRB's offices at no cost to WVCPRB. Vendors will be offered alternative dates from which to select.

Vendors will also be provided with scripted product demonstration scenarios on which to base their product demonstrations in order to assure an objective comparison among vendors' proposed solutions. Information regarding the scenarios to be presented during product demonstrations will be provided subsequent to the Technical Bid opening date to vendors who submit bids.

During oral presentations, vendors may not alter or add to their submitted proposal, but only clarify information.

WVCPRB requests that the proposed Project Manager and other key assigned project staff conduct the demonstrations. It is WVCPRB's objective to discern the vendor's proposed project staff's familiarity with the solution and their ability to explain, communicate, converse, and interact with WVCPRB staff. While respecting the role of sales and marketing staff in the sales process, WVCPRB is most interested in interacting with key implementation project members.

In addition, as described in Appendix D Section 2.1.1, visits to existing vendor customer sites that are running the proposed solution in production may be conducted by WVCPRB staff and/or Trustees.

## 4.8 INVOICES, PROGRESS PAYMENTS & RETAINAGE

Although it is understood that many project deliverables will be submitted to WVCPRB by the selected vendor, the number of payments made will be limited to the sum of the 11 contractual deliverable payment points identified in Table 25 below (Payment points 1-3 and 10-17) and twice the number of functional rollouts proposed by the vendor. Each functional rollout will be addressed with two (2) payments: one associated with putting the functionality into production and another following 60 days' use



of the functionality in production. Invoices for the contractual deliverables may be rendered only after each has been completed and formally accepted by WVCPRB.

Figure 2 and Table 25, below, are provided to illustrate the sequence and number of payment points. Phases 4A, 4B, and 4C, shown as examples on Figure 2, represent the functional rollout of the new LOB solution. Each will result in two payment points (as described in the previous paragraph). The sum of payments associated with the functional rollouts, regardless of the number of functional rollouts defined, will amount to 65% of the total fixed cost of the project. The sum of the cost of all contractual deliverables will equal the total fixed cost of the project.

Third party hardware or software purchased by the vendor and incorporated into the LOB solution will be paid for after WVCPRB acceptance of Phase 3 of the project.

If any selected Options (Reference Appendix D, Section 2.14) are integrated into the delivery of phases of the project, payments for those options should be added to the vendor's quoted prices for the phases themselves and the phase-related payments will be made as noted in Figure 2 and Table 25.

There is a significant difference between WVCPRB's receipt of a contractual deliverable and WVCPRB's acceptance of that deliverable. It should be understood that in most cases, WVCPRB will require a minimum of thirty (30) days to provide formal written acceptance of a contractual deliverable. Only upon receipt by the vendor of written acceptance from WVCPRB's Project Manager, may the contractual deliverable be invoiced to WVCPRB. All invoices should be delivered to the Agency at the address on the face of the purchase order labeled "Invoice To" pursuant to the terms of the contract. Invoices should include a copy of the signed acceptance(s) by WVCPRB. Payments of invoices by WVCPRB will be made within 30 days of receipt of the invoice for an accepted contractual deliverable.

**Each invoice submitted to WVCPRB by the vendor should reflect a 15% holdback amount.**

The successful vendor should provide a monthly, updated spreadsheet indicating what has been billed (and when), what has been paid (and when), what invoices may be in dispute, and the remaining project budget. The format of this tracking spreadsheet and the detail will be reviewed and approved by WVCPRB. Invoice dates, invoice numbers, warrants numbers, and warrant dates should be included.

Upon acceptance of the final rollout of the system by WVCPRB's Project Manager, the vendor should submit an invoice which includes one-half the sum of all holdback amounts (7.5% of the total project cost), for payment by WVCPRB. Vendors are cautioned that *when* WVCPRB's final acceptance of the system will occur cannot be pre-defined. Acceptance will not be forthcoming until the solution is delivered in final form – meaning not until all Requirements Traceability Matrix line items have been accepted AND all documentation is updated to reflect the "as-built" condition of the system AND all authorized change orders have been completed AND all "punch lists" have been resolved to WVCPRB's satisfaction.

Upon the conclusion of the warranty period (12 months after WVCPRB's acceptance of the final rollout), the vendor should submit an invoice which includes the remainder of all holdback amounts (the last 7.5% of the total project cost), for payment by WVCPRB.

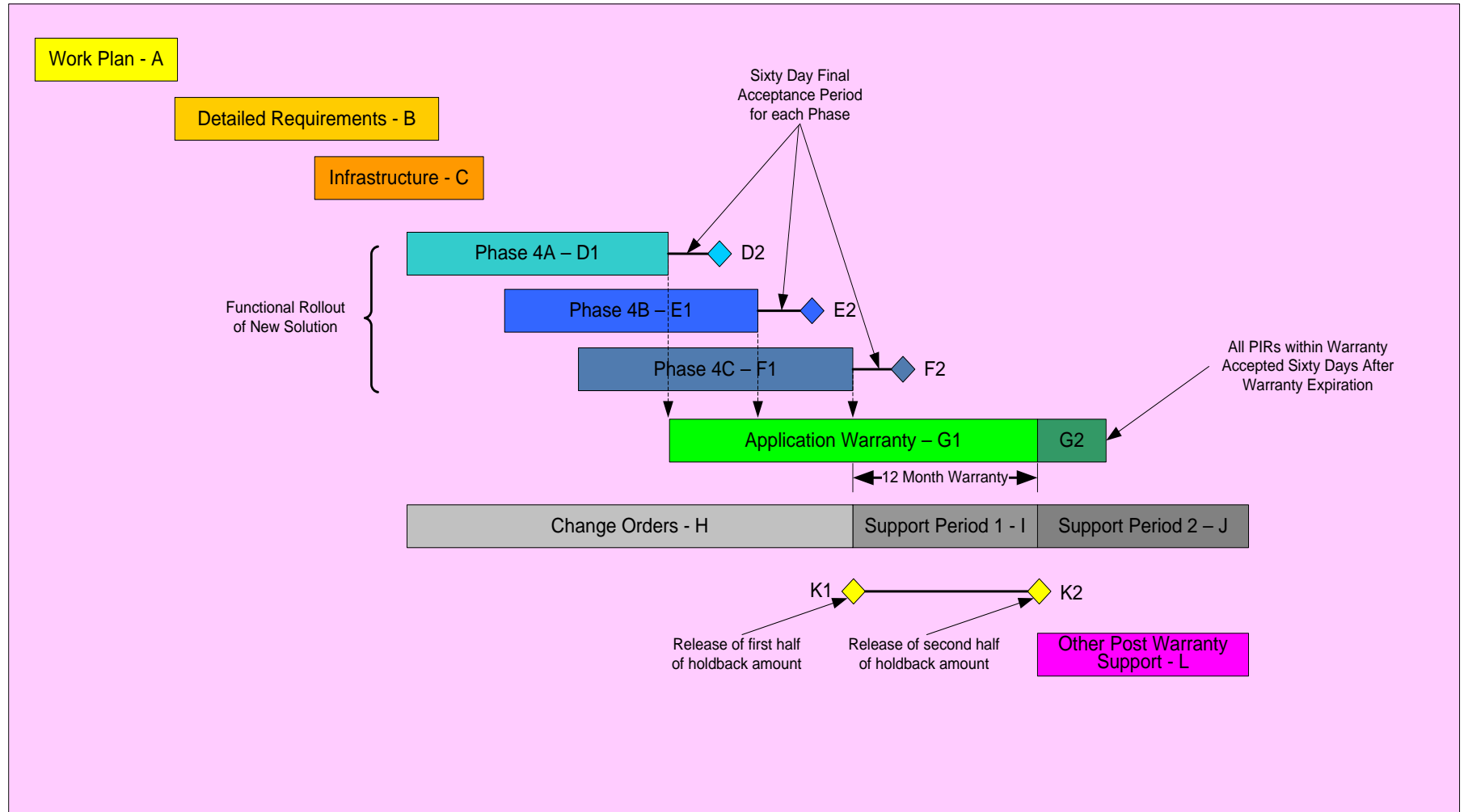
The vendor should bear in mind the following terms:

- The "firm fixed price" will be defined in the contract resulting from this procurement based on the mandatory and agreed upon LOB requirements and the selected (authorized) option areas.
- In the event of contract award, all agreements between the prime contractor and any subcontractors should be signed prior to the execution of the contract with the prime contractor by WVCPRB.

The diagram on the next page defines the contractual deliverables against which payments will be made. It is provided to assist vendors in understanding the scope of the contractual deliverables and the timing of the related payments. Following the diagram is a table explaining each contractual deliverable, its acceptance criteria, and the magnitude of the payment to be associated with it.



Figure 2 Public Pension Administration System Life Cycle, Acceptance Criteria, and Payment Points



**Table 25 Public Pension Administration System Life Cycle, Acceptance Criteria, Payment Points**

#	Ref	Title	Description	Acceptance Criteria	Amount <sup>+</sup>
1	A	Work Plan (Phase 1)	Acceptance of complete detailed project work plan.	Complete and comprehensive project work plan reviewed, revised, and accepted by WVCPRB.	5%
2	B	Top-level Requirements (Phase 2)	Complete more-detailed requirements documented.	Base system installed and demonstrated to achieve requirements definition; completion of JADs, and the next level down, more detailed definition of requirements; documents reviewed, revised, and accepted by WVCPRB. Vendor has completed the Conference Room Pilot.	7%
3	C	Infrastructure (Phase 3)	Infrastructure installed.	All infrastructure delivered, installed, configured, documented, and labeled; all warranty and maintenance information documented and turned over to WVCPRB staff; all software licenses in WVCPRB's name; upgrade, maintenance, and configuration control plans delivered and accepted by WVCPRB; detailed performance monitoring scheme agreed to and in place.	Amount bid by vendor
4	D-1	Phase 4a* - Into Production	Phase 4a in production.	Phase 4a in production; all phase 4a data converted and cleaned; data bridging procedures in place; user acceptance testing completed; life cycle testing completed; all user training completed; data cleansing/conversion audit report complete and accepted by WVCPRB; no critical Problem Incident Reports (PIRs) open; fewer than 5 high level PIRs open.	7%

<sup>+</sup> All costs except #3 (C – Infrastructure) do not include hardware or software licenses.

\* Details depend on vendor's approach; but the total of items 4 – 9 (i.e., references D-1, D-2, E-1, E-2, F-1, and F-2) should be 65%.



#	Ref	Title	Description	Acceptance Criteria	Amount <sup>+</sup>
5	D-2	Phase 4a* – 60 Day Acceptance	Satisfactory completion of 60 day usage for Phase 4a.	60 days after Phase 4a in production and being used; no major problems; all critical and high level PIRs closed that were identified up to 30 days before go live closed (E-1); an acceptable plan in place to resolve additional PIRs identified in the last 60 days.	7%
6	E-1	Phase 4b* - Into Production	Phase 4b in production.	Phase 4b in production; all phase 4b data converted; data bridging procedures in place; user acceptance testing completed; life cycle /conference room pilot testing completed; all user training complete; data cleansing/conversion audit report complete and accepted by WVCPRB; no critical PIRs open; fewer than 5 high level PIRs open.	10%
7	E-2	Phase 4b* – 60 Day Acceptance	Satisfactory completion of 60 day usage for Phases 4a and 4b.	60 days after Phase 4b in production and being used; no major problems; all critical and high level PIRs closed that were identified up to 30 days before go live closed (F-1); an acceptable plan in place to resolve additional PIRs identified in the last 60 days.	7%
8	F-1	Phase 4c* - Into Production	Phase 4c in production.	Phase 4c in production; all phase 4c data converted; user acceptance testing completed; life cycle /conference room pilot testing completed; all user training complete; data cleansing/conversion audit report complete and accepted by WVCPRB; no critical PIRs open; fewer than 5 high level PIRs open.	14%
9	F-2	Phase 4c* – 60 Day Acceptance	Satisfactory completion of 60 day usage for Phases 4a, 4b, and 4c.	60 days after Phase 4c in production and being used; no major problems; all critical and high level PIRs closed that were identified up to 30 days before go live closed (G-1); an acceptable plan in place to resolve additional PIRs identified in the last 60 days.	23%



#	Ref	Title	Description	Acceptance Criteria	Amount <sup>+</sup>
10	G-1	Application Warranty	Warranty period completed.	All support necessary provided; all PIRs identified prior to start of Phase 3 Warranty resolved; no critical PIRs open; plans developed and agreed upon to close out all remaining PIRs within 60 days. No more PIRs should be reported after the end of this period. Includes application, operational, and infrastructure support. All agreed upon upgrades provided – e.g., software, tax tables, federal reporting.	10%
11	G-2	Application Warranty – PIRs completed	Warranty closure.	Resolution of all remaining PIRs.	10%
12	H	Change Orders	On-going.	Identification and resolution of issues that are out-of-scope from project inception until the conclusion of last phase of rollout. Ends contemporaneously with the end of the rollout of the last phase into production. Work is scoped by vendor, agreed to by WVCPRB, then executed, tested, and then accepted.	TBS
13	I	Support Period 1	Parallel-to-Warranty Support.	Application, operational, and infrastructure support not covered by warranty; identified as to scope, level of effort, and fees.	TBS
14	J	Support Period 2	On-going support – post warranty.	Continuing support analogous to item J in the post-warranty period	To be determined in negotiations with vendor – not part of project fixed price
15	K-1	Release of Initial Holdback	Release of Initial Holdback.	Satisfactory compliance with contract performance through rollout of the last phase to go into production; resolution and completion of RTM (punch list) items; identification of how remaining items are should be closed; see L-2	½ of the agreed upon holdback amount



#	Ref	Title	Description	Acceptance Criteria	Amount <sup>+</sup>
16	K-2	Release of Remainder of Holdback	Release of Remainder of Holdback.	Completion of <u>all</u> RTM items.	½ of the agreed upon holdback amount
17	L	Other Post Warranty Support	Other support.	Post warranty support – delivered by vendor according to their business model including: updates, upgrades (base software, configuration changes/updates/upgrades, customizations); delivered and priced according to vendor business delivery model.	TBS





## SECTION 5 VENDOR PROPOSAL

### 5.1 ECONOMY OF PREPARATION

Proposals should be prepared simply and economically providing a straightforward, concise description of the Vendor's abilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of the content.

### 5.2 INCURRING COST

Neither the State nor any of its employees or officers shall be held liable for any expenses incurred by any Vendor responding to this RFP, including but not limited to preparation, delivery, or travel.

### 5.3 PROPOSAL FORMAT

The organization and content of the vendor's Technical Proposal should conform to the outline set forth below. Section numbering of the vendor's proposal should agree with the outline. Following the outline is a description of the information that should be included in each section of the proposal.

Vendors should provide responses in the formats listed in Sections 5.3.1 for the Technical Proposal and 5.3.2 for the Cost Proposal, listed below.

#### 5.3.1 TECHNICAL PROPOSAL FORMAT

The structure for the Technical Proposal is included below. Vendors should observe this format to facilitate effective evaluation of the proposals.

**Table 26 Technical Proposal Format**

Technical Proposal Format	Reference Section
Title Page	5.3.1.1
Table of Contents	5.3.1.2
Tab I – Vendor Information	5.3.1.3
Tab II – Vendor Response to Project Scope	5.3.1.4
Tab III – Vendor Response Exhibits	5.3.1.5
Tab IV - Appendix A Vendor Response Sheet	5.3.1.6
Tab V - Appendix B Mandatory Specification Checklist	5.3.1.7

The following sections explain the content for each subsection of the Technical Proposal. **No pricing or cost information should be included in the Technical Proposal.**

#### 5.3.1.1 Title Page

The Title Page should include the RFP subject, requisition number, Vendor's name, Federal Tax ID number, Dun and Bradstreet number, business address, voice, and fax telephone numbers of organization submitting proposal, bid opening date and time, name, title, and contact information (including email address) of authorized contact person. The Title Page should also be signed and dated.



### 5.3.1.2 Table of Contents

Clearly identify the material by section and page number.

### 5.3.1.3 Tab I – Vendor Information

#### I-1.1 Vendor Certifications and Affirmations

In this section, the vendor should include the following statements of affirmation:

- A statement regarding the vendor's legal structure (e.g., a LLC, a corporation), Federal tax identification number, and principal place of business
- A list of the people who prepared the vendor's proposal, including their titles
- The name, phone number, and fax number of a contact person who has authority to answer questions regarding the vendor's proposal
- A list of all subcontractors, if any, that the vendor intends to use on the project if the vendor is selected to do the work – for each proposed subcontractor, the vendor should include (in Vendor Exhibit 21 of the technical proposal) a letter from the subcontractor, signed by someone authorized to legally bind the subcontractor, with the following information included in the letter:
  - The subcontractor's legal status, tax identification number, and principal place of business address
  - The name and phone number of someone who is authorized to legally bind the subcontractor to contractual obligations
  - A description of the work the subcontractor is tentatively slated to complete during the project
  - A commitment to do the work if the vendor is selected
  - A statement that the subcontractor has read and understood the RFP and intends to comply with the requirements of the RFP
- A statement affirming the proposed Project Manager is an employee of the prime contractor
- A statement affirming the vendor's commitment to develop a full set of all of the rules, regulations, procedures, and practices that need to be accommodated in the new solution (refer to Appendix D, Section 2.6.1.4 for additional information)
- Affirmation of the vendor's responsibility for the life of the contract for all contractual activities, products, and deliverables offered in the proposal whether or not that contractor directly performs or provides them. This includes providing an overall project plan and a plan for each functional rollout phase, the detailed requirements definition, all necessary hardware and software components (if those options are authorized), including fully integrated workflow and imaging capabilities, an LOB solution, system integration services, enablement of all interfaces described in this RFP, test preparation and execution (including training and assisting WVCPRB with its testing responsibilities) of all elements of the vendor's solution (not just customized elements), data conversion, training for users, employers, and IT staff, documentation, process change recommendations, organizational recommendations, and implementation of any other proposed technologies, as well as first-line problem resolution.
- Affirmation that the vendor's organization is the prime contractor and the primary point of contact with regard to contractual matters. The vendor should acknowledge that should any third party provider go out of business or otherwise become unable to fulfill its contractual obligations to WVCPRB with respect to this procurement, WVCPRB intends to hold the vendor responsible for the delivery of the same or equivalent products and services at the contractually agreed upon price.
- Affirmation that the vendor has reviewed the "Current 'As Is' Business Functionality," as provided in the RFP.



- Affirmation that all requirements expressed in this RFP are anticipated to be met by the solution implemented by the vendor unless an explicit written agreement to delete one or more of the RFP's provisions is signed by both WVCPRB and the vendor (see Appendix D, Section 2.6.3.7 Change Orders, Change Control and Reporting).
- For the period of time starting on the issuance date of the RFP and up until the award of a resulting contract, identification of any contact that the vendor, a lobbyist, or any other third party which has been retained by the vendor in any manner has had with WVCPRB staff, WVCPRB Board members, West Virginia legislators, the office of the Governor of West Virginia, or legislative or gubernatorial staff related to the procurement. In addition describe the nature of the contact, the dates, and the substance thereof. Failure to do so accurately may be grounds for rejection of your proposal and/or cancellation of any subsequent contract.

The vendor should also include the following seven certifications:

1. Certification regarding whether the vendor has ever had a contract terminated for default or cause. If so, the vendor should submit full details, including the other party's name, address, and telephone number.
2. Certification regarding whether the vendor has ever been assessed any penalties in excess of five thousand dollars (\$5,000), including liquidated damages, under any of its existing or past contracts with any organization (including any governmental entity). If so, the vendor should provide complete details, including the name of the other organization, the reason for the penalty, and the penalty amount for each incident.
3. Certification regarding whether a client has ever demanded payment of a performance bond or a bid bond of the vendor. If so, provide the name of the client, client contact information and an explanation of the circumstances.
4. Certification regarding whether the vendor has ever been, or is currently, the subject of any governmental action limiting the right of the vendor to do business with that entity or any other governmental entity.
5. Certification regarding whether trading in the stock of the offering company has ever been suspended. If so, provide the date(s) and explanation(s).
6. Certification regarding whether the vendor, any officer of the vendor, or any owner of a twenty percent (20%) interest or greater in the vendor has filed for bankruptcy, reorganization, a debt arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding.
7. Certification regarding whether the vendor, any officer of the vendor, or any owner with a twenty percent (20%) interest or greater in the vendor has been convicted of a felony or is currently under indictment on any felony charge.

If the answer to any of the last seven (7) certification items above is affirmative, the vendor should provide complete details about the matter. An affirmative answer to any of these items will not automatically disqualify a vendor from consideration. However, at the sole discretion of the Evaluation Committee, such an answer and a review of the background details may result in a rejection of the vendor's proposal. The committee will make this decision based on its determination of the seriousness of the matter, the matter's possible impact on the vendor's performance on this project, and the best interests of the State.

### **I-1.2 Statement of Understanding**

In this section, the vendor should summarize its understanding of the requirements set forth in the RFP. The vendor may also reference, in general terms, projects it has successfully completed that met requirements similar to those of WVCPRB.



### **I-1.3 High Level Deliverables**

In this section of the proposal, the vendor should identify and briefly describe the high level deliverables to be provided to WVCPRB over the course of the project. The vendor should make the commitment to include all of the high level deliverables discussed in Appendix D, Section 2.3 Project Timetable – Major Deliverables of the RFP. The vendor is encouraged to identify additional deliverables as it deems appropriate. In the cost proposal, the vendor should allocate project costs against the high level project deliverables identified in this section.

### **I-1.4 Exceptions**

In this section of the proposal, the vendor should affirm that it has read and understands the RFP, any RFP amendments issued, and the questions and answers provided during the bidders conference. The vendor should state in this section of the proposal any and all exceptions it takes with the technical / functional requirements set forth in the RFP and/or with any terms and conditions contained in the RFP relating to the ensuing contract.

**Vendors are cautioned that exceptions to, clarifications of, modifications of a requirement or term and condition of the Solicitation may result in bid disqualification.**

For each exception listed in Section I-1.4 of the proposal, the vendor should propose at least two alternatives that would still be acceptable to the vendor, as a potential vendor, and that the vendor reasonably believes should be acceptable to WVCPRB. In other words, the vendor should be creative in addressing all exceptions by setting forth two alternative versions of each one (alternative A and B) in the hope that the vendor and WVCPRB may more quickly arrive at a mutually acceptable compromise. The alternative versions of each vendor exception may take various forms – again, the vendor is being encouraged to apply creativity in order to accommodate legitimate vendor reservations in a fashion that will not lead WVCPRB to reject the bid due to onerous exceptions.

Since Cost Proposals will not be opened until the technical scoring is complete, vendors are cautioned not to include any exceptions in the cost proposals (unless the wording of the exception contains specific dollar amounts).

### **I-1.5 Warranty Limitations**

In this section of the proposal, the vendor should state any and all limitations and constraints with respect to software maintenance and warranty. They should be explained in terms of risk, change control, and cost implication. Only those limitations and constraints identified in this single section of the proposal will be considered by WVCPRB; any others not included in the single, appropriately labeled section will not be considered or honored by WVCPRB.

### **I-2.0 Vendor's Qualifications**

This section should include details on the experience of the vendor and vendor's recent clients having requirements similar to those of WVCPRB.

### **I-2.1 Corporate Background**

This is an introduction to the vendor's company: its history, scope of operations, organization, size, and any other relevant information about the company that the vendor desires to include.

In this section, the vendor should provide basic information about its organization, including the following:

- The name of the vendor and the location of its principal place of business and all other offices, including the location of the office which is anticipated to perform work on behalf of WVCPRB



- The names, titles, and length of tenure of the top five officers of the company (or its subsidiary or operating division responsible for this project). For any whose time in the position is less than a year, provide the name of his or her predecessor and the reason for the change in position
- Any change in the ownership status of the company in the past three years (or any forthcoming change)
- The average number of employees over the past five years, the average number of full time employees, the average number of contract employees, and the average number of total employees (state explicitly the number of professional employees)
- Number of years in business
- Brief history of company, products, and services
- Company and product visions; should demonstrate commitment to product life and enhancement for at least eight years
- Industry innovations or best practices
- Number, nature and name of subsidiaries and operating divisions
- Where incorporated or otherwise legally established
- Representative client list.

The same information should be provided for all subcontractors or other third party providers of products or services.

In addition, for each subcontractor or other third party, the vendor's proposal should include:

- A description of all work to be subcontracted to and/or products to be provided by third parties.
- Descriptive information relating to the nature and duration of the previous relationship of all subcontractors and/or third parties with the prime contractor.
- Explanation of any existing contractual relationships between the prime and subcontractors, or among subcontractors.

Failure to identify subcontractors may be grounds for rejection of the proposal or, after award, cancellation of the contract.

## **I-2.2 Relevant Corporate Project Experience**

The details of vendor's experience relevant to the project should include a summary of the vendor's experience as required by Appendix D Section 2.1.1 Vendor Qualifications.

This section should also include a discussion by the vendor regarding similarities between WVCPRB and the client implementations cited.

### **I-2.2.1 Client References**

Vendors should submit a list of at least three current and former (within the past five years) clients and describe the work performed for each, together with an analysis of the degree of similarity in the scope of the project WVCPRB desires to that of the referenced client, the hardware configuration used, and the application systems produced. Indicate whether the client is a current client (i.e., one with whom a project is currently underway) or a former client (i.e., one for whom no work is being performed or whose project is in the warranty / maintenance period). For all references, include the site name, the name / title / phone / address of a client representative who is familiar with that work and may be contacted regarding the firm's qualifications and past performance, start and end dates of the contract, and the initial and final project cost, including all change orders. Provide a brief summary of the project including but not limited



to business problem, scope, approach, and resources applied. In addition, provide for each reference a list of the major subcontractors that supported the project and a list of all vendor staff members proposed to WVCPRB who also participated in the referenced client project.

Vendors are cautioned that the previous project experience being sought by WVCPRB should be recent, but should not include projects only recently initiated. Ideally, the vendor can cite several references for projects that have been completed within the last three (3) years and at least one that began more than a year ago but remains in progress.

All references may be contacted by WVCPRB to verify the vendor's claims. Vendors are advised to ensure that the contact person's telephone number is current and that each reference contact is willing to discuss the vendor's performance with the evaluation committee. In addition, WVCPRB may visit any one (or more) of the referenced sites to see an example of the proposed solution in actual use.

References should be for at least three (3) different projects, as similar as possible to the WVCPRB project, and three (3) different individuals with knowledge of the vendor's performance on those respective projects. One (1) person with knowledge of several projects qualifies as only a single reference.

Vendors are encouraged to include more than three references if they wish. If subcontractors are being proposed, preference may be given to vendors who can cite multiple projects on which the vendor / subcontractor **team** being proposed to WVCPRB previously collaborated.

Reference information should be provided by using Vendor Client Reference Form (a copy of which can be found in Appendix E, Exhibit 16 Vendor Client Reference Form). Replicate the form as necessary to provide profiles of all client references.

### **I-2.2.2 Presentations and Product Demonstrations**

In this section, affirm the vendor's commitment to provide oral presentations and/or product demonstrations (led by the vendor-proposed Project Manager) at WVCPRB's offices, if so requested by WVCPRB, in response to Section 4.7 Oral Presentations of the RFP.

### **I-2.3 Financial Information**

This section of the proposal should contain vendor's current and two previous years' audited financial statements, including consolidated balance sheets and income statements (statement of profit and loss). Failure to provide this information may be grounds for rejecting vendor's proposal. (The vendor's annual report to shareholders should be included as an attachment – see below.) The vendor should describe the trends of the last five years in revenues, employees, and profitability. If the vendor is a subsidiary of a larger corporation, financial information specific to the vendor should be provided. An overall corporate information package may also be submitted.

Identify any legal actions, lawsuits, arbitration or formal protests related to public employee retirement systems projects in which the vendor is currently involved as a defendant at the time the proposal is submitted. Additionally, identify any other such actions in which the vendor has been involved during the past five (5) years.

Any delisting of vendor's stock should be disclosed and described.

Any changes in corporate ownership, changes in CEO, CFO, or COO in the past five years or projected in the next six months should be described.

The vendor should inform WVCPRB if any site used as a reference has a financial relationship with the vendor whereby the client may receive any sort of compensation, including but not limited to reduction in fees, commission, and/or credits based on references leading to sales of vendor's software, hardware, other products, or services.



The same financial information described above should be provided for any subcontractors and/or third parties proposed to participate in the project.

The vendor should summarize the percentage of its organization's current revenue that is derived from retirement system solution implementations (and, as a separate calculation, the percentage of revenue derived from retirement system consulting, actuarial engagements, and the like). Similar information should be provided for each of the previous two (2) years.

#### **I-2.4 Vendor Staffing**

In this section, the vendor should provide detailed descriptions of how the vendor's team experience should meet the project requirements. Include team members' resumes (as discussed below), tailored to highlight experience and skills specifically relevant to their role on this effort. This section of the proposal should include the qualifications of the project manager and staff to be assigned to accomplish this project.

**The vendor must designate a single full-time project manager to represent and oversee the project (reference RFP Section 4.6.2).**

- WVCPRB considers the following items as critical with regard to the assignment of a full-time project manager and highly desire that the vendor's designated project manager: Serve as the focal and contact point for all business matters relating to the project.
- Be on-site at WVCPRB at least 80% of the time
- Be responsible for timely completion of all phases of the project
- Be responsible for meeting all contractual requirements for the duration of the project
- Attend status, quality review and acceptance meetings as required and present status and progress reports on the project
- Remain assigned to the project full time for at least the first full year of the project
- Otherwise fulfill the desired qualifications for the Project Manager as specified in Appendix D Sections 2.1.2 and 2.8.3.

Within this section, the vendor should provide a list of all the key personnel, as defined in Appendix D Section 2.8.4 of the RFP, to be assigned to any part of the project. Vendors are encouraged to specifically identify additional project staff members if possible. Each staff member proposed should be identified by title and by firm, as well as by project responsibilities and job functions and current client / home office location. The numbers of other personnel to be assigned should be identified by job function and by firm.

WVCPRB understands that the vendor may have one or more other proposals open and under consideration by other prospective clients and that vendor staff included in the WVCPRB proposal may have been included in these other proposals. For any vendor resource so allocated, the vendor should indicate in its proposal the role for which each such resource was assigned for each open proposal and the capacity (e.g., hours, % FTE) for which they have been proposed. In addition, the vendor should indicate what method it intends to use to resolve any conflict arising from the award of contracts competing for these resources.

Vendors should also summarize in this section and include in Vendor Exhibit 14, the resumes of all key employees (project manager, lead analyst, and other key staff), and any other proposed staff members who are identified by name in the proposal. Those resumes should describe in detail the employee's experience in similar efforts as well as past education and training. Each resume should include as its first page a Resume Summary prepared by the vendor using the form provided in Appendix E, Exhibit 17 Vendor Staff Experience Summary Form. Each Resume Summary should include three (3) professional



personal references for the particular staff member. These professional references should be provided by vendor client staff members, from three different clients. Professional references from within the vendor organization are **not** acceptable.

Vendor should provide its staff volatility index, i.e., percent turnover over the past three (3) years and how that number is calculated. This volatility index should be provided both for the entire company and for the three referenced public employees' or teachers' retirement system implementation projects used as references.

Vendors should also confirm in this section of the proposal their understanding that:

- Personnel whose names and resumes are submitted in the proposal should not be removed from this project without prior approval of WVCPRB. Substitute or additional personnel should not be used for this project until a resume is received and approved by WVCPRB.
- WVCPRB anticipates having the right to request, and the contractor should comply with any such request, the removal of any vendor staff member from all work on this project immediately.
- The replacement for any staff member who is removed from or leaves the project for any reason should match or exceed the replaced staff member in terms of skill level and experience. Such replacements are subject to WVCPRB approval/rejection at the time of the assignment as well as at any time during the 90 days after the replacement begins work on the project.

#### **5.3.1.4 Tab II – Vendor Response to Project Scope**

Tab II of the proposal should contain the vendor's response to the project scope. It should include all of the sections of Appendix D of the RFP, numbered identically. Each segment of Tab II of the proposal should provide a complete response to the corresponding section of Appendix D of the RFP.

#### **5.3.1.5 Tab III – Vendor Response Exhibits**

The vendor should include as exhibits to its response at least the exhibits itemized here as such.

##### **Exhibit 1 List and Specifications of Required Hardware**

As required in Appendix D Section 2.5.5, the vendor should provide a complete list, complete with specifications and configurations, of all hardware components required to support the proposed solution.

##### **Exhibit 2 List of Required Commodity Software**

As required in Appendix D Section 2.5.6.5, the vendor should include in their response a complete list of all commodity software required to support the proposed solution.

##### **Exhibit 3 Data Center Specifications**

This Exhibit should set forth the specifications for required space, power, air conditioning load, fire suppression, connectivity, smoke, water, and heat sensors, etc., for application to the in-town and Disaster Recovery machine rooms to support the vendor's proposed solution.

##### **Exhibit 4 Comprehensive List of all Documentation to be Delivered**

This list should itemize all of the documentation that the proposer intends to deliver during the course of the project (e.g. work process manuals, on-line help facilities, general system administration documentation, general system configuration documentation, system maintenance and operations documentation, training materials, employer education materials, etc. The proposer should ensure that the list includes any electronic-only formatted documentation such as on-line contextual help, etc.





**Exhibit 5      Samples of Application Documentation**

Attach samples of end-user and technical documentation.

**Exhibit 6      Menu and Screen Snapshots**

Attach samples / "snapshots" of menus and screens from proposer's implementation most similar to WVCPRB's.

**Exhibit 7      High Level Work Plan (with and without Options)**

Attach an initial high-level project work plan as specified in Appendix D Section 2.6.1.9.1 of the RFP.

**Exhibit 8      Concept of Operations – Table of Contents**

Attach a Table of Contents of the Concept of Operations document as specified in Appendix D Section 2.6.2.1 of the RFP.

**Exhibit 9      Development Methodology Overview**

Attach a Table of Contents for the Development Methodology Overview (DMO) document as well as samples of documents and other deliverables referenced in the DMO as specified in Appendix D Section 2.6.2.2 of the RFP.

**Exhibit 10     Samples of Previously Used Status Reports**

Attach samples of previously used (weekly and monthly) status reports as specified in Appendix D, Section 2.6.3.3 of the RFP.

**Exhibit 11     Foreseen Risks**

A list of the top twenty risks, an assessment of the probability of occurrence, their impact and the steps to be taken to reduce, avoid or mitigate the risks as specified in Appendix D, Section 2.6.3.10 of the RFP.

**Exhibit 12     Sample Data Conversion Plan**

A sample of a data conversion plan as specified in Appendix D, Section 2.7.2.1 of the RFP.

**Exhibit 13     Preliminary Project Staffing Plan**

The inclusion of this plan is specified in Appendix D, Section 2.8.1 of the RFP.

**Exhibit 14     Staff Resumes**

These resumes, each prefaced with an Exhibit 17 Vendor Staff Experience Summary Form, are specified in Appendix D, Section 2.8.4 Key Personnel of the RFP

**Exhibit 15     High Level Training Plan**

The high-level Training Plan provided here should include Sections on each aspect of training to be delivered to WVCPRB as specified in Appendix D Sections 2.10.1, 2.10.2, and 2.10.3 of the RFP.

**Exhibit 16     Sample Test Plan and Test Materials**

Appendix D Section 2.11 of the RFP calls for the inclusion of a sample test plan and associated test materials to be included in this Exhibit.



**Exhibit 17 High-Level Technical Training Plan for Transitioning Support**

As specified in Appendix D Section 2.12.1 of the RFP, include a high-level technical training plan that covers the training of WVCPRB technical staff. This plan should also address in detail just how the proposer plans to ensure that WVCPRB staffs have attained the necessary knowledge.

**Exhibit 18 List of Standard Reports**

List all standard reports included in the proposed solution, classified as management, operational, or financial.

**Exhibit 19 Report Samples**

Provide actual samples of reports included in the proposed solution. Of particular interest is a sample of the member's annual statement and calculation worksheet produced by the proposed system. Be sure to include a sample of a standard audit trail history report.

**Exhibit 20 Proposed System License Agreement**

The proposer should include a copy of the proposed system license agreement (if any).

**Exhibit 21 Subcontractor Letters of Commitment**

The proposer should include a letter from each subcontractor, signed by someone authorized to legally bind the subcontractor, and providing the material requested in Appendix D, Section 2.2.2.

**Exhibit 22 Subcontractor Agreements**

Copies of all subcontractor agreements.

**Exhibit 23 - Resource Summary by Phase**

Proposers should include in the cost proposal a summary, by staff position, of the number of hours, by phase for all vendor support services included in the proposal.

**Exhibit 24 - Vendor's Annual Financial Report to Stockholders and Audited Financial Statements**

Vendors should provide the indicated financial information to assist WVCPRB's evaluation of the vendor's financial position.

**5.3.1.6 Tab IV - Appendix A Vendor Response Sheet**

Appendix A is comprised of the project Goals and Objective contained in Section 4.4. Vendors must respond to each section below describing how they will comply with each.

The completed Vendor Response Sheet should be inserted as TAB IV.

**5.3.1.7 Tab V - Appendix B Mandatory Specification Checklist**

By signing and dating this document, the Vendor acknowledges that they meet or exceed each of these specifications as outlined in Section 4.6 Mandatory Requirements. The State reserves the right to require documentation detailing how each is met at its discretion. The completed Mandatory Specification Checklist should be inserted as TAB V.



### 5.3.2 COST PROPOSAL FORMAT

The structure for the Cost Proposal is included below. Vendors should observe this format to facilitate effective evaluation of the proposals.

**Table 27 Cost Proposal Format**

Cost Proposal Format	Reference Section
WVCPRB Bid Summary	5.3.2.1
Schedule 1 – Hardware Costs for Functional Project Elements	5.3.2.2
Schedule 2 – Commodity Software Costs for Functional Project Elements	5.3.2.3
Schedule 3 – Services (Functional Project Elements)	5.3.2.4
Schedule 3A – Out Year Support	5.3.2.5
Schedule 4 – Cost for Option 4: Data Cleansing	5.3.2.6
Schedule 5 – Cost for Option 5: Vendor Delivery of Employer Training	5.3.2.7
Schedule 6 – Cost for Option 6: Vendor Replacement of Existing Imaging System	5.3.2.8
Schedule 7 – Cost Estimate by Project Phase	5.3.2.9

The following sections explain the content for each subsection of the Cost Proposal.

Complete **Appendix C: Cost Sheets** included in this RFP and submit in a separate sealed envelope. Cost should be clearly marked.

The cost proposal should identify the costs of each phase, such that the total project cost equal the total of Phases 1 - 3 (as defined in Appendix D Section 2.6.1.8 on Project Phasing) plus all of the functional rollout phases to be defined by the vendor (Phase 4) plus support costs during the warranty period (Phase 5). The total cost of all phases should be consistent with the details of each phase, and clearly discernible (see the cost spreadsheets which follow).

Adherence to and consistency with the work plan are considered critical acceptance criteria for any phase.

The vendor should bear in mind the specific terms and conditions presented in Part 5 when preparing its cost schedules. In addition, WVCPRB provides the following reminders:

- Vendors should include in the cost proposal a summary, by staff position, of the number of hours and the hourly rate for all contractor support services included in the proposal.
- The vendor should include its “D-U-N-S®” (Dun and Bradstreet) number on the cover page of the proposal.



- Vendor's cost information will be evaluated on the basis of its consistency with the information provided in the vendor's technical proposal. All calculations in vendor's cost schedules will be verified for correctness.
- Although the lowest overall price may not necessarily be the primary determining factor for award, WVCPRB shall make every effort to substantiate prices for products and services to ensure that those prices are considered fair and reasonable.
- Any proposal that does not meet the requirements outlined in Section 5.3.1 and in the points above, or for which a fixed-dollar proposal amount cannot be precisely determined may be considered a non-responsive proposal and may be rejected by WVCPRB.

Although it is understood that many project deliverables will be submitted to WVCPRB by the selected vendor, only 11 payments will be made under the contract to be awarded. Each payment will be tied to one of **11 contractual deliverables payment points** as defined by WVCPRB. Invoices for the 11 contractual deliverables may be rendered only after each has been completed and formally accepted by WVCPRB.

For terms relating to invoicing and payments, please refer to Section 4.8 Invoices, Progress Payments & Retainage.

Schedules for presenting the vendor's cost bid are provided as Attachments to this RFP. Vendors should add line items to the cost schedules as necessary to include all project costs and suitable breakdowns. The Excel spreadsheets are provided as a single Excel workbook downloadable from the RFP website:

<http://www.state.wv.us/admin/purchase/newbul.htm>

For the vendors' convenience, all subtotals and totals are computed automatically.

The following sections list the cost schedules that should be completed and provide a description of the information to be provided in each.

### **5.3.2.1 WVCPRB Bid Summary**

On this worksheet, fill in the vendor name. Amounts for Options 3 and 7 should be entered directly on the Bid Summary worksheet. All other entries are automatically populated based on the vendor entries in Schedules 1 through 6.

The Total – Functional amount (Cell G11 of the Bid Summary sheet) will be the amount used for the evaluation of the vendor's cost bid.

Copies of the spreadsheet tables are included in this RFP as Attachments EXH 18 through EXH 22.

### **5.3.2.2 Schedule 1 – Hardware Costs for Functional Project Elements**

For each item on the Hardware list provided with the Technical Proposal (see Attachment 1 List and Specifications of Required Hardware), enter all hardware components required to effect the functional requirements portion of the proposed solution. Distinguish components that already exist at WVCPRB versus upgrades required to existing equipment versus new components. Include servers, hubs, routers, workstations (desktop PCs), cables, connectors, labels, and equipment racks. For each required item, provide the manufacturer, model, a description, the quantity, and the unit cost. Cost extensions and totals are computed automatically.

### **5.3.2.3 Schedule 2 – Commodity Software Costs for Functional Project Elements**

For each item on the Commodity Software list provided with the Technical Proposal (see Attachment 2 List of Required Commodity Software), enter all commodity software products required to effect the functional requirements portion of the proposed solution. Distinguish software that already exists at



WVCPRB versus upgrades required to existing software versus new software products. Include all required products such as operating systems, network software, database management software, software tools, and office suite software. For each required item, provide the manufacturer, model, a description, the number of copies required, and the unit cost. Cost extensions and totals are computed automatically.

#### **5.3.2.4 Schedule 3 – Services (Functional Project Elements)**

This schedule consists primarily of service related costs to implement the functional requirements portion of the proposed solution. For each area of service section (e.g., Requirements Analysis, Software Modifications Development), list the applicable staff positions, number of hours, and hourly rates. Hourly rates should be fully loaded to capture all direct and overhead expenses, travel, per diem, and any other travel-related expenses. WVCPRB anticipates the project can be completed within three years of contract execution. (If the vendor believes that a longer schedule is indicated, the vendor should expand this and the other cost schedules appropriately.)

For most service categories, therefore, the hours should be entered only for years 1 through 3, and no entries should be made in the columns designated “12 Mo Warranty Period.” The only exception is the *LOB Application Software Warranty* section, for which the only entries should be in the “12 Mo Warranty Period” columns.

When filling in the Training section of the spreadsheet, be sure to include the cost for WVCPRB staff travel if any training would be conducted at a location outside the Charleston, WV area (see Appendix D Section 2.10.2.1).

As indicated, vendors should also enter on this schedule the cost of the LOB License Fee (if any) and of the LOB Application source code as discussed in Appendix D Section 2.5.6.3.

At the bottom of the schedule, enter the following incremental costs where indicated:

1. Customization (if necessary) of scripts, etc. (Appendix D Section 2.5.7)

#### **5.3.2.5 Schedule 3A – Out Year Support**

This schedule will identify the cost for post warranty support services and the LOB Application License Fee on a yearly basis for ten years beyond the initial twelve month post warranty period.

The staff positions (Cost Elements) on Schedule 3A will be automatically populated from those shown on Schedule 3 as One Year of Post Warranty IT and One Year of Post Warranty Operations Support. For cost comparison purposes, as a default, the hourly rates associated with those positions on Schedule 3A will be automatically populated with a 3% increase each year for years two through ten.

The amounts shown for the LOB Application License Fee on Schedule 3A will be generated from the amount the vendor provides on Schedule 3 for the Warranty/Post Warranty Period (cell M88). For cost comparison purposes, as a default, the Schedule 3A amounts for years two through ten will include a 3% annual increase.

Out Year Support is discussed in Appendix D Section 2.13.2.4.

#### **5.3.2.6 Schedule 4 – Cost for Option 4: Data Cleansing**

Under Services, enter applicable staff positions, number of hours and hourly rates for services related to data cleansing for the project years. Under Hardware, Commodity Software, and Miscellaneous Costs, indicate the name and purpose of the item and the cost per year of that item. Costs from Schedule 4 carry automatically to the Bid Summary schedule. For more information on Option 4, the vendor is referred to Appendix D Section 2.14.4 Data Cleansing.



### 5.3.2.7 Schedule 5 – Cost for Option 5: Vendor Delivery of Employer Training

Under Services, enter applicable staff positions, number of hours and hourly rates for services related to vendor delivery of Employer Training for the project years. Under Hardware, Commodity Software, and Miscellaneous Costs, indicate the name and purpose of the item and the cost per year of that item. Costs from Schedule 5 carry automatically to the Bid Summary schedule. For more information on Option 5, the vendor is referred to Appendix D Section 2.14.5 Vendor Delivery of Employer Training.

### 5.3.2.8 Schedule 6 – Cost for Option 6: Vendor Replacement of Existing Imaging System

Under Services, enter applicable staff positions, number of hours and hourly rates for services related to replacement of the existing imaging system for the project years. Under Hardware, Commodity Software, and Miscellaneous Costs, indicate the name and purpose of the item and the cost per year of that item. Costs from Schedule 6 carry automatically to the Bid Summary schedule. For more information on Option 6, the vendor is referred to Appendix D Section 2.14.6 Replacement of Existing Application Xtender Imaging System.

### 5.3.2.9 Schedule 7 – Cost Estimate by Project Phase

Enter cost figures for the project phases assuming functional project elements only. The first three preliminary phases have been defined in the RFP. Vendors should add the functional rollout phases they propose and enter costs accordingly. Please note that the total of Schedule 7 should be equal to the total of the Bid Summary.

The cost proposal worksheets are presented in picture format in Attachments EXH 18 to EXH 25 of this RFP for information purposes only. Vendors should use the accompanying Excel workbook for compiling and submitting their bids.

In addition to the Excel workbook, we note that Option 3 – LOB Application Source Code – as described in Appendix D Section 2.14.3 has a table that should be completed and incorporated into the vendor's Cost Proposal.

If applicable, sign and submit the attached Resident Vendor Preference Certificate with the proposal (see Exhibit 3 West Virginia Vendor Preference Certificate).

#### Oral Presentations:

If established by the Agency in the Schedule of Events (Section 1.3), all Vendors participating in this RFP may be required to provide an oral presentation, based on the criteria set in Section 4.6. During oral presentations, Vendors may not alter or add to their submitted proposal, but only to clarify information.

## 5.4 PROPOSAL SUBMISSION

Proposals must be received in **two distinct parts**: technical and cost.

**Technical proposals** must not contain any cost information relating to the project.

**Cost proposal** shall be sealed in a separate envelope and will not be opened initially.

All proposals must be submitted to the Purchasing Division **prior** to the date and time stipulated in the RFP as the opening date. All bids will be dated and time stamped to verify official time and date of receipt. All submissions must be in accordance with the provisions listed below and in Section Two: Instructions to Bidders Submitting Bids above.



## 5.5 TECHNICAL BID OPENING

The Purchasing Division will open and announce only the technical proposals received prior to the date and time specified in the Request for Proposal. The technical proposals shall then be provided to the Agency evaluation committee.

## 5.6 COST BID OPENING

The Purchasing Division shall schedule a date and time to publicly open and announce cost proposals when the Purchasing Division has approved the technical recommendation of the evaluation committee. All cost bids for qualifying proposals will be opened. Cost bids for non-qualifying proposals will also be opened but shall not be considered. A proposal may be deemed non-qualifying for a number of reasons including, but not limited to, the bidder's technical proposal failing to meet the minimum acceptable score and the bidder's technical proposal failing to meet a mandatory requirement of the contract. Certain information, such as technical scores and reasons for disqualification, will not be available until after the contract award, pursuant to **West Virginia Code** §5A-3-11(h) and **West Virginia Code of State Rules** §148-1-6.2.5.

## 5.7 DISCUSSION AND FINAL OFFER

The State anticipates that it may conduct discussions with, and obtain best and final offers (BAFO) from, responsive and responsible bidders who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements in accordance with West Virginia Code, §5A-3-11b. The State, at its sole discretion and as deemed to be in the best interest of the State, may provide clarification in the request for BAFO regarding the anticipated scope of the project as described in the RFP and instruct Vendors to adjust their technical proposal and cost proposal accordingly to reflect the clarification provided by the State. If deemed appropriate, the State reserves the right to adjust the point allocations for the BAFO Technical Proposal and Cost Proposal adjust the point allocations for the BAFO Technical Proposal and Cost Proposal evaluation as provided in Section 6.2 (Evaluation Criteria) to reflect the scope clarification.

The best and final offers must be received at the address identified in 2.6 as indicated in Table 1 Procurement Schedule or as otherwise specified by WVCPRB. If a best and final offer is not submitted, the previous submittal will be construed as the best and final offer. BAFO proposals must be prepared in the same number of copies and packaged and submitted according to the same instructions that apply to the initial proposal submission (please refer to Section 2.6 Bid Submission). Final ranking of responses and award of the contract will be made after WVCPRB reviews all bids and completes its evaluation, including the evaluation of best and final offers, if they are requested. An award will be made to the vendor with the most advantageous offer.



## SECTION 6 EVALUATION AND AWARD

### 6.1 EVALUATION PROCESS

Proposals will be evaluated by a committee of three (3) or more individuals against the established criteria with points deducted for deficiencies. The Vendor who demonstrates that they meet all of the mandatory specifications required; and has appropriately presented within their written response and/or during the oral demonstration (if applicable) their understanding in meeting the goals and objectives of the project; and attains the highest overall point score of all Vendors shall be awarded the contract. The selection of the successful Vendor will be made by a consensus of the evaluation committee.

### 6.2 EVALUATION CRITERIA

All evaluation criteria is defined in the specifications section and based on a 100 point total score. Cost shall represent a minimum of 20 of the 100 total points.

The following are the evaluation factors and maximum points possible for technical point scores:

Solution Features	35 Points Possible
Proposed Project Methodology and Work Plan	20 Points Possible
Vendor Demos and Site Visits	15 Points Possible
Vendor Qualifications (including experience and references)	10 Points Possible
Cost (Total - Functional)	<u>20 Points Possible</u>
Total	100 Points Possible

Each cost proposal will be scored by use of the following formula for all Vendors who attained the minimum acceptable score:

$$\frac{\text{Lowest price of all proposal}}{\text{Price of Proposal being evaluated}} \times 20 = \text{Price Score}$$

#### 6.2.1 TECHNICAL EVALUATION

The Agency evaluation committee will review the technical proposals, deduct points where appropriate, and make a final written recommendation to the Purchasing Division.

#### 6.2.2 MINIMUM ACCEPTABLE SCORE

Vendors must score a minimum of 70% (56 points) of the total technical points possible. All Vendors not attaining the minimum acceptable score (MAS) shall be considered as non-qualifying; therefore, the cost bids will not be opened. A proposal may be deemed non-qualifying for a number of reasons including, but not limited to, the bidder's technical proposal failing to meet the minimum acceptable score and the bidder's technical proposal failing to meet a mandatory requirement of the contract. Certain information, such as technical scores and reasons for disqualification, will not be available until after the contract award, pursuant to **West Virginia Code** §5A-3-11(h) and **West Virginia Code of State Rules** §148-1-6.2.5.





### **6.2.3 COST EVALUATION**

The Agency evaluation committee will review the cost proposals, assign appropriate points, and make a final recommendation to the Purchasing Division.

### **6.2.4 BEST AND FINAL OFFERS (BAFOs)**

The State anticipates that it may conduct discussions with, and obtain best and final offers (BAFO) from, responsive and responsible bidders who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements in accordance with West Virginia Code, §5A-3-11b. The State, at its sole discretion and as deemed to be in the best interest of the State, may provide clarification in the request for BAFO regarding the anticipated scope of the project as described in the RFP and instruct Vendors to adjust their technical proposal and cost proposal accordingly to reflect the clarification provided by the State. If deemed appropriate, the State reserves the right to adjust the point allocations for the BAFO Technical Proposal and Cost Proposal evaluation as provided in Section 5.7 Discussion and Final Offer to reflect the scope clarification.

