

E-Procurement RFP # 194:0-12RPB Attachment B
Process and Document Workflow Concepts
June 15, 2000

This Process and Document Workflow Concepts document describes one approach to addressing COVA functional requirements. It should be used as an aide to the Offeror in understanding the COVA vision of how the Virginia Public Procurement Process could be implemented within an electronic procurement solution. It is not intended to limit the Offeror in suggesting innovative process improvements or to absolve the Offeror from addressing all RFP requirements.

1. Procurement Processes

1.1.Requisitions

The procurement process begins with identification of what is needed. The requisition task provides documentation of the need and requires at least one-level of approval to ensure funding is available and the product or service is required. Once a requisition is approved, each requested item on the requisition may be routed to one of five work flows: mandatory inventory source, mandatory contract source, optional contract source, unsealed solicitation, or sealed solicitation. For some COVA Entities the requisition may be initiated within their own systems and then transmitted to the Solution electronically.

The Solution should:

- 1.1.1. Enable COVA Entities to import approved requisitions from COVA Entity systems; to create and approve requisitions; and to transmit requisitions to entities such as:
 - a. higher authority for approval
 - b. purchasing authority for processing to purchase order, and
 - c. COVA Entity goods or services providers
- 1.1.2. Automatically compare requisition line items to items available from mandatory sources (e.g., contracts, inventory, surplus property) and notify the requisition creator if there is a match.
- 1.1.3. Electronically transfer requisition data to purchasing transaction documents such as:
 - a. solicitations,
 - b. purchase orders,
 - c. purchase order changes,
 - d. contracts,
 - e. contract modifications, and
 - f. other award documents.

1.2.Shopping On-Line (E-Mall)

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The Solution E-Mall shopping and ordering component supports the inventory source, mandatory contract, optional contract and the unsealed solicitation work flows. The inventory or mandatory contract workflows would select items from COVA entity inventory catalogs or mandatory contract catalogs. The optional contract workflow would select all contract catalog items and competitively priced non-contract items that could fulfill the request or identify contract services and prices to assist in developing time & materials contract service task/purchase orders. The unsealed solicitation workflow should display all items that fulfill the requisition requirements, sequencing the display based on COVA Entity User specified sort requirements. The sealed solicitation workflow would not be supported under the Solution E-mall concept.

The Solution should include on-line product research and comparison shopping capabilities for use by COVA Entity Users. These capabilities should:

- 1.2.1. Draw product, service, source of supply and pricing information from
 - a. statewide contracts,
 - b. restricted use state contracts (i.e., restricted to use by specified COVA Entities),
 - c. mandatory sources such as the Virginia Distribution Center, Virginia Correctional Enterprises, and Virginia Industries For The Blind, Business Opportunities for the Blind,
 - d. in-house inventories such as Surplus Property, VDOT Central Warehouse, etc.,
 - e. vendor catalogs (hosted and real-time from vendor sites), and
 - f. open web searches such as Yahoo, Web Crawler, and other buying services.

This capability should provide search and selection based on commodity code and/or commodity class, commodity description, manufacturer part number, Virginia region served, business type (e.g., small, women-owned, minority-owned businesses), and/or source type (e.g., mandatory, contract, non-contract, trading partner, etc). For those instances where search results are presented from a mandatory source and another choice is made instead, the solution should capture a justification.

The solution should not require re-entry of data from these sites to any other element of the Solution or to COVA Entity existing systems with which the Solution is integrated and/or interfaced.

- 1.2.2. Present shopping results in a comparison format based on
 - a. definable business rules which prioritize the display order, and

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- b. user controllable sort options to promote results evaluation.
- 1.2.3. Allow creation of orders as you shop (i.e., the shopping cart experience). The shopping cart experience should enable capabilities such as
- a. separate orders per vendor,
 - b. manage secondary approval of an order by a higher authority,
 - c. utilization of small purchase charge cards,
 - d. utilization of electronic purchase orders,
 - e. combination of small purchase charge cards and electronic purchase orders,
 - f. assignment of commodity code by order item,
 - g. assignment of accounting data by order item,
 - h. assignment of multiple charge codes,
 - i. assignment of multiple delivery addresses and delivery schedule,
 - j. multiple accounting distributions per item,
 - k. printable orders, and
 - l. order confirmation
- 1.2.4. Enable preparation of an order with capabilities such as
- a. using a template,
 - b. saving in-process orders,
 - c. suspending,
 - d. adding, and
 - e. modifying the order.
- 1.2.5. Enable COVA Entity Users to transmit orders to vendors and COVA Entity sources of supply in formats such as
- a. electronic data (i.e., EDI, OBI, XML, etc.),
 - b. electronic document (i.e., e-mail, download, etc.),
 - c. fax, and
 - d. mail.
- 1.2.6. Enable printing of in-process and transmitted orders.
- 1.2.7. Enable cancellation of in-process orders and of transmitted orders.
- 1.2.8. Enable suspension of order while awaiting supervisor's approval.
- 1.2.9. Enable suspension and reactivation of an in-process order.
- 1.2.10. Enable modification of (changes to) transmitted orders.

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- 1.2.11. Enable tracking of order status.
- 1.2.12. Enable the ability to provide all Solution users access to products and pricing to foster market place competition.
- 1.2.13. Provide the ability to search catalogs by commodity code, vendor's part number, item description and/or company name.
- 1.2.14. Allow self-service addition and updates of catalog items and pricing by vendor and/or authorized COVA Entity User.
- 1.2.15. Notify contract officer when catalogs are modified.

1.3.Solicitations

The Solution should support the unsealed and sealed solicitation work flows by facilitating the research, development, and distribution of unsealed and sealed solicitations. For some COVA Entities the solicitation may be created within their own systems and then transmitted to the Solution electronically for posting and processing. Solicitations may result in goods and/or services purchase orders, term contracts, and indeterminate quantity term contracts.

The Solution should enable:

- 1.3.1. COVA Entity Users to electronically transmit solicitations created in existing systems to the Solution for posting and processing.
- 1.3.2. COVA Entity Users to create and update solicitation information to include:
 - a. Buying Entity
 - b. Buyer Contact Information
 - c. Buyer's Name
 - d. Buyer's E-mail Address
 - e. Buyer's Telephone Number
 - f. Buyer's Fax Number
 - g. Type of Solicitation (selected from a menu)
 - h. Virginia Region(s) to be Served
 - i. Solicitation Scope (State-wide, Entity Specific, Education Only, etc)
 - j. Solicitation Release Date and Time
 - k. Solicitation Close Date and Time
 - l. Solicitation Close Date History
 - m. Solicitation Open Date and Time
 - n. Solicitation Commodity and Commodity Class

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- o. Solicitation Conference Information (Date and Time, Location, Mandatory/Optional)
 - p. Solicitation Abstract/Description
 - q. Solicitation document(s) including
 - (1) Description of Document
 - (2) Link to document(s)
 - (3) Date uploaded to site/posted
 - r. Solicitation Special and General Terms & Conditions,
 - s. Proposal Submission Information including
 - (1) Mail Address
 - (2) Email Address
 - (3) Fax Number
- 1.3.3. COVA Entity Users to publicly post solicitations, solicitation attachments, and addenda (on the Web) for inspection, downloading, and printing by any interested party with Internet access.
- 1.3.4. COVA Entity Users to create and transmit solicitation ~~attachments~~ documents to selected vendors and COVA Entity Users in formats such as:
- a. electronic data (i.e., EDI, OBI, XML, etc.),
 - b. electronic documents (i.e., e-mail, download),
 - c. fax, and/or
 - d. mail.
- 1.3.5. COVA Entity Users to develop mailing/e-mail/fax lists of vendors who may supply/quote a commodity. The list should be flexible enough to be used by the COVA Entity User to create mailing lists, e-mail distribution lists, or incorporate into a broadcast fax notification.
- Selection options should include:
- a. Company SIC and/or
 - b. Commodity Code(s) or Commodity Family and/or
 - c. Virginia Region(s) Served and/or
 - d. Request for Quote Postal Code and/or
 - e. Last Price Bid for Commodity and/or
 - f. Business Type (e.g., small, women-owned, or minority-owned).
- 1.3.6. COVA Entity Users to search for a specific registered vendor and display all Vendor Registration information. Search options should include:
- a. Company Name or Any Part Of Name
 - b. Federal Tax ID or Any Part of Tax ID

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c. Sales Contact Name

1.3.7. COVA Entity Users to print in-process and transmitted solicitations.

1.3.8. Vendors to automatically receive e-mail notification when a procurement opportunity exists based on the vendor's registration data.

1.4.Receipt and Analysis of Solicitation Responses

Options for receiving bids include unsealed – the COVA Entity User sees and tabulates the bid response immediately upon receipt, and sealed bids – the COVA Entity User receives, opens, tabulates and begins evaluation of the bids at a specified date and time.

The Solution should:

1.4.1. Enable vendors to submit signed solicitation responses in both paper and electronic formats.

1.4.2. Support specific business practices for the receipt, tabulation (creation of an audit control record) of unsealed solicitation responses.

1.4.3. Support specific business practices for the receipt, public opening, tabulation (creation of an audit control record) of sealed solicitation responses.

1.4.4. Support the evaluation of solicitation responses by providing evaluation tools for analysis based on price and/or other award criteria.

1.4.5. Enable electronic transmission of solicitation responses to existing COVA Entity systems.

1.5.On-Line Bidding (e.g., Reverse Auctions)

An option for receiving solicitation responses is by requesting bidders to post bids in an open forum. The bidder would be allowed to reduce previously posted bid prices until a specified date and time. The Solution should provide the ability for on-line bidding such as reverse auctions. This capability should include functionality that would:

1.5.1. allow definition of the solicitation including requirements, description, quantity, and specifications;

1.5.2. allow definition of bidding parameters including start date/time, end date/time, bid increments and bid ceiling;

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- 1.5.3. provide some means of bidder registration to capture bidders' company name, contact name, address, federal employee identification number, e-mail address, and other identifying information;
- 1.5.4. provide a means to make submitted bids visible (real time/as they occur) to bidders in order to promote competition;
- 1.5.5. provide a means for active on-line monitoring of the bidding activity;
- 1.5.6. capture all submitted bids and provide this data to the purchasing officer in an electronic format such as a spread sheet;
- 1.5.7. provide a means to post bid results after the purchasing officer has made a determination of the winning bid.

1.6. Contract Award and Administration

Once the COVA Entity User has evaluated solicitation responses, bidders/offerors must be notified, solicitation responses posted, and award documents prepared, posted and distributed. Awards may be made by line, lot or grand total. For some COVA Entities the award documents may be created within their own systems and then transmitted to the Solution electronically for posting and processing.

The Solution should:

- 1.6.1. Enable COVA Entity Users to create award and award modification documents including:
 - a. Notices of Intent To Award,
 - b. Notices Of Award,
 - c. Purchase Orders,
 - d. Purchase Order Changes,
 - e. Contracts,
 - f. Contract Modifications with effective date,
 - g. Contract renewals with effective date, and
 - h. Purchase Order and Contract Cancellation Notices.
- 1.6.2. Enable existing COVA Entity systems to transmit electronic award and award notification documents to the Solution for distribution to awarded vendor(s).
- 1.6.3. Enable COVA Entity Users to transmit award and award modification documents in formats such as:

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- a. electronic data (i.e., EDI, OBI, XML, etc.),
 - b. electronic documents (i.e., e-mail, download),
 - c. fax, and/or
 - d. mail.
- 1.6.4. Enable COVA Entity Users to publicly post contract award and contract award modification documents (on the Web) for inspection, download, and printing by any interested party with Internet access.
- 1.6.5. Enable Solution Users to post, maintain, review, search, and select contract information including:
- a. Contract Number
 - b. Contract Name/Title
 - c. Contracting Entity
 - d. Contract Officer Name
 - e. Contract Officer Information
 - f. Contract Officer E-mail Address
 - g. Contract Officer Telephone Number
 - h. Contract Officer Fax Number
 - i. Virginia Regions to be Served
 - j. Type of Contract/Award (selected from a menu)
 - k. Contract/Award Scope (State-wide, Entity Specific, Education Only, etc)
 - l. Contract Begin and End Date
 - m. Contract Renewal/Extension History
 - n. Contract Commodity and Commodity Class
 - o. Contract Abstract/Description
 - p. Contract Document(s) Including:
 - (1) Description of Document
 - (2) Link to Document(s)
 - (3) Date Uploaded to Site/Posted
 - (4) Awarded Contract
 - (5) Specifications
 - (6) Terms & Conditions
 - q. Order Contact Name
 - r. Order Contact Phone
 - s. Order Address
 - t. Order Email Address
 - u. Order Fax Number
 - v. Link to Vendor's Contract Catalog (if available)
 - w. Minimum Order Quantity
- 1.6.6. Enable COVA Entity Users to print in-process and transmitted award contract award and contract award modification documents.

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- 1.6.7. Support contract administration, performance tracking, and close-out requirements.

1.7.Receiving, Invoicing and Payment Methods

Once goods or services processed through the Solution are received, the purchasing organization should have the capability to document receipt of goods or services within the Solution.

1.7.1. Receiving

The Solution should:

- a. Capture, store and transmit receiving data to existing COVA Entity systems.
- b. Process Advanced Shipping Notices.

1.7.2. Invoicing

For goods or services where payment is not made at time of order, an invoice must be received before a COVA Entity authorizes payment. COVA Entities may approve invoices for partially satisfied orders.

The Commonwealth is moving towards electronic invoicing, therefore the Solution should provide support for processing electronic invoices.

- a. Separate invoices must be provided for each purchase order.
- b. The invoice must contain the following information:
 - (1) Invoice Date
 - (2) COVA Order number
 - (3) For Each Item
 - Item Number (if used)
 - Description
 - Quantity
 - Unit of Measure
 - Unit Price
 - Total Price
 - (4) Invoice Total

1.7.3. Payment Methods

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a. Orders

The Solution should accept purchase order numbers or Small Purchase Charge Cards for orders processed by or through the Solution.

b. Electronic Funds Transfer

The Solution should provide support for the Department of Accounts' Electronic Funds Transfer program
(www.state.va.us/doa/docs/projects/EDI/edinew.htm).

2. Surplus Property

The Solution should provide functionality to support the COVA Surplus Property program in a manner that allows restricted access to approved COVA Entities and certain not for profit service providers.

2.1. Declaring Surplus (Virtual Inventory)

2.1.1. The Solution should include an inventory component that will enable Commonwealth Entities to enter and maintain surplus property items including photograph files, location of the property and contact information.

2.1.2. The Solution should interface with existing COVA surplus property systems to allow uploading and downloading of inventory data.

2.2. Posting Inventory and Other Information

2.2.1. The Solution should include an on-line posting capability where inventory items will be immediately viewable once added to the inventory.

2.2.2. The Solution should provide a means for posting auctions/sales notices and other public information.

2.3. Disposition of Inventory Items

2.3.1. The Solution should support disposition of surplus property inventoried items to include transfer, disposal and on-line auction.

2.3.2. The Solution should enable indication of inventory item status such as:

- a. Available to a specific COVA Entity only,
- b. Available to any COVA Entity,
- c. Available to authorized not-for-profit service providers, and

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d. Available for sale.

The inventory item status function should enable COVA Entity Users to optionally stipulate a timeframe after which status codes will change automatically in accordance with COVA Surplus Property business rules.

2.3.3. The Solution should interface with existing COVA surplus property systems to download items with “for sale” status.

2.3.4. The Solution should provide a means for conducting on-line auctions of “for sale” inventory items which will support credit card payments.

3. Information Management

3.1. Commodity Codes

Purchasing offices utilize commodity codes to organize inventory, catalogs, determine potential vendors and to begin requirement specifications.

The Solution should:

3.1.1. Incorporate a commodity code concept throughout and across all components and functionality.

3.1.2. Enable authorized COVA Entity Users to create and define additional commodity codes.

3.1.3. Provide a means of searching the set of commodity codes based on key word(s) and by any portion of the commodity code.

3.1.4. Provide the capability to cross-reference commodity codes to other categorization identifiers such as key words, catalog numbers, manufacturer product/part numbers, SIC Codes, etc.

3.1.5. Provide the capability to migrate existing COVA Entity coding structures to the commodity code used by the Solution.

3.2. Data Warehouse

COVA Entity users need to analyze purchasing and pricing patterns, determine contract activity and volumes, and evaluate vendor performance.

The Solution should include a fully integrated Data Warehouse with the following features and functionality.

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3.2.1. Vendor Data

The Solution should:

- a. Enable vendors and COVA Entity Users to create, update, and maintain source of supply (vendor) demographic and commodity code information for 30,000 to 50,000 vendors. This information should include:

(1) Vendor Demographics:

- Company Name
- Federal Tax Identification Number (used as interface key)
- Multiple Mailing Addresses
- Remit-To Mailing Address
- Contact Name(s)
- Contact Phone Number(s)
- Contact Fax Number(s)
- Contact Email Address(es)
- Product Information Web Site
- Contract Ordering Web Site(s)
- Trading Partner Agreement (TPA) Ordering Web Site(s)
- Virginia Regions Served

(2) Vendor Business Classification:

- Classification such as reseller, manufacturer, etc.
- Business Type (i.e., Small, Women-Owned, Minority Owned)
- Dunn & Bradstreet Number
- SIC Code
- W-9 type Information
- EFT Codes

(3) Registration Information:

- W-9 type Information
- EFT Codes
- Commodity Codes(s) for Items/Services the Vendor May Supply

- b. Enable authorized COVA Entity Users to delete or inactivate vendor identification and commodity code information.

- c. Enable COVA Entity Users to enter, maintain, manage and analyze, and report vendor performance data such as:

(1) actual delivery data versus specified delivery date, and

(2) quality of delivered product and service.

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- d. Enable authorized COVA Entity Users to flag/freeze vendors who have been suspended or debarred from doing business with the Commonwealth. This feature should:
- (1) Enable authorized COVA Users to specify the specific period of suspension or debarment, and
 - (2) Ensure currently suspended and debarred vendors are not selected for the vendor lists described in the following sections.

3.2.2. Purchasing Data

The Solution should:

- a. Capture, maintain and store data from purchasing transactions that originate on or pass through the Solution. This transaction information should include:
- (1) Vendor Order Information
 - Federal Tax Identification Number
 - Vendor Company Name
 - Ordering Address
 - EFT Information
(see www.state.va.us/doa/docs/projects/EDI/edinew.htm)
 - (2) Accounting Information For Each Item Ordered:
 - Agency or FIPS Number
 - Fund/Fund Detail
 - Program/SubProgram
 - Account Codes (sub object code)
 - Funding Fiscal Year
 - Commodity Code
 - Order Date
 - Received Date
 - Invoice Date
 - (3) Line Item Order Information
 - Item Contracting Entity (if on contract item)
 - Item Contract Number (if on contract item)
 - Item Catalog Number
 - Item Description
 - Item Unit of Measure
 - Item Quantity (should support decimal quantities)
 - Item Order Price
 - Item 1099 Reportable (Y/N)

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- Item a Lease (Y/N)
- b. Enable importing of data relative to purchasing transactions that do not originate on or pass through the Solution.
- c. Enable statistical and trend analysis utilizing stored purchasing transaction data and generate electronic management reports.

3.2.3. Reference Library

The Solution should include a reference library from which Users can create, maintain, access and incorporate procurement standard documents and data. Such documents and data will include:

- a. Standards and Templates
 - (1) Model Solicitations
 - (2) Standard Specifications
 - (3) Standard Forms
 - (4) IFB Templates
 - (5) RFP Templates
 - (6) Special Terms and Conditions (template sets and “select from list” or combination of both)
 - (7) General Terms and Conditions (template sets)
- b. Pre-Negotiated Agreements
 - (1) Trading Partner Agreements
 - (2) Existing Contract Agreements
 - (3) Vendor-Specific Pre-Negotiated/Agreed To Terms and Conditions
- c. The Solution should enable utilization of Reference Library Items for all procurement activity performed inside and outside the Solution.
- d. The Solution should provide a means to restrict update and modification to items stored in the Reference Library.

3.2.4. Tracking and Workflow

COVA Entities have different procurement procedures and rules. The Solution should provide a robust workflow capability that can manage rules, roles, and routing paths for each COVA Entity.

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The Solution should:

- a. Track all transactions processed in or through the Solution.
- b. Provide Users the capability to query and display status of transactions tracked by the Solution.
- c. Incorporate workflow concepts such as
 - (1) purchase authorization limits,
 - (2) approval hierarchy, and
 - (3) automatic User notification based on predetermined status points.

3.2.5. Reporting and Analysis

The Solution should:

- a. Provide standard and ad-hoc reporting capabilities for each component module including
 - (1) Search,
 - (2) Query,
 - (3) Selection criteria,
 - (4) Sorting,
 - (5) Save to file,
 - (6) Print, and
 - (7) Send via e-mail.
- b. Provide statistical tools to display, array and analyze the data graphically and numerically. Such tools should include features such as:
 - (1) Multiple reporting levels,
 - (2) Tabular presentation style,
 - (3) Statistical analysis graphical presentation styles, such as Box and Whiskers, and
 - (4) Summarized and detailed views such as workload, performance, average aging, time oriented total/individual order dollars, cycle time, commodity quantity/dollar totals, etc.

3.2.6. Web Posting Services

The Solution should provide on-line posting for, access to, and support for information that may be static, dynamic and/or interactive. Such

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information may originate within the Solution or from existing COVA Entity systems. Examples of such information include:

- a. Solicitations
- b. Bid Tabulation
- c. Award Documents (Intent and Actual)
- d. Procurement File Documentation (Includes Bids & Proposals)
- e. Image Files
- f. Manuals, Policies
- g. Contracts (State, VASCUPP, Single Agency and Other)
- h. Virtual Inventories (Surplus, VDOT, Other)
- i. Frequently Asked Questions and Answers
- j. Open Forum

3.2.7. Knowledge Management

The Solution should enable COVA Entity Users to participate in interactive knowledge development activities such as:

- a. Collaboration: share knowledge and experiences,
- b. Content Management: capture and manage experiences,
- c. Business Intelligence: turn Business Data into Knowledge
- d. Capture, Search, and Deliver: capture knowledge and distribute to pre-determined Users.