

**REQUEST FOR PROPOSALS
(RFP)**

Issue Date: **June 15, 2000**

RFP # 194:0-12RPB
Page 1 of 61

Title: **Electronic Procurement Solution**

Issuing Agency: Commonwealth of Virginia
Department of General Services
Division of Purchases and Supply
805 East Broad Street
P.O. Box 1199
Richmond, Virginia 23218-1199

Using Agency And/Or Location: Commonwealth of Virginia
Where Work Will Be Performed: As Set Forth In This RFP Document

Initial Period of Contract: From Date of Award Through Complete Contract Performance

Sealed Proposals Will Be Received Until **2:00 p.m., August 9, 2000** , For Furnishing The Goods and/or Services Described Herein And Then Opened In Public.

All Inquiries For Information Should Be Directed To: Rebecca P. Barnett, CPPB, VCO, Purchase Officer Phone (804) 225-3689 / Fax (804) 371-7877 / E-mail: e-procurement-buyer@dgs.state.va.us.

IF PROPOSALS ARE MAILED, SEND DIRECTLY TO ISSUING AGENCY SHOWN ABOVE. IF PROPOSALS ARE HAND DELIVERED, DELIVER TO: Department of General Services, Division of Purchases and Supply, 805 East Broad Street, Third Floor, Bid Tabulation Room, Richmond, Virginia.

In Compliance With This Request For Proposals And To All The Conditions Imposed Therein And Hereby Incorporated By Reference, The Undersigned Offers And Agrees To Furnish The Services In Accordance With The Attached Signed Proposal Or As Mutually Agreed Upon By Subsequent Negotiation.

NAME AND ADDRESS OF FIRM:

_____ Date: _____

_____ By: _____
(Signature In Ink)

_____ Name: _____
(Please Print)

_____ Zip Code: _____ Title: _____

FEI/FIN NO.: _____ Phone No.: _____

Fax No.: _____

E-Mail: _____

PRE-PROPOSAL CONFERENCE: A pre-proposal conference will be conducted on **June 27, 2000 at 10:00 a.m.** See RFP Section 7.

DEADLINE FOR SUBMITTING QUESTIONS: See RFP Section 9.8.

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NOTE TO PROSPECTIVE OFFERORS: You are requested to review the provisions of RFP Section 4.2.7. to promote a clear understanding of the words “must”, “shall”, “should” and “may” as used in this Request For Proposals document.

1. PURPOSE:

The purpose of this Request for Proposals (RFP) is to solicit sealed proposals to establish a contract with one source, through competitive negotiations, for an **Electronic Procurement Solution** (“Solution”) for the Commonwealth of Virginia.

2. BACKGROUND:

2.1. Existing Procurement Environment – The COVA Perspective

Commonwealth of Virginia procurement activities are extraordinarily decentralized and encompass a large number of organizations including:

- More than 250 state agencies, institutions and other state entities.
- Approximately 185 state agencies, institutions and other state entities.
- Many other public bodies such as public schools, airports, districts, authorities and commissions.
- The COVA vendor community estimated at more than 50,000 vendors which receive 450,000 individual small purchase charge card transactions annually and submit 352,000 financial EDI invoices annually.

2.1.1. The Department of General Services, Division of Purchases and Supply (DGS/DPS) is the Commonwealth’s central purchasing agency. The Agency Procurement and Surplus Property Manual (APSPM) is published by DGS/DPS under the authority of Section 2.1-442 of the Code of Virginia, and establishes the policies and procedures to be followed by state agencies and institutions in fulfilling procurement and related logistical responsibilities within their delegated limits. These published policies and procedures are established, by DGS/DPS, to ensure compliance with the Virginia Public Procurement Act (VPPA). Copies of the APSPM and the VPPA can be downloaded from the DGS/DPS website at www.dgs.state.va/dps.

DGS/DPS is also responsible for the development of statewide term (requirement-type) contracts that can be utilized by all state agencies, institutions and public bodies. In addition, DGS/DPS currently provides procurement transaction services to state agencies and institutions for individual purchase transactions that exceed their delegated purchasing limit or for which they request procurement assistance.

2.1.2. Approximately five (5) state agencies and institutions (including the Virginia Port Authority, Virginia Economic Development Partnership, Virginia Tourism Authority, Medical College of Virginia Hospital Authority, and the Virginia Retirement System) are exempt from the Virginia Public Procurement Act. The remaining state agencies and institutions have a general delegation of purchasing authority which includes, but is not limited to, individual purchase transactions up to \$30,000 for items which are not on statewide term contracts. State agencies and institutions have unlimited authority for purchase transactions using statewide term contracts and for the

purchase of services. Many state agencies and institutions have qualified for additional, including unlimited, delegated purchasing authority. When exercising their delegated purchasing authority, state agencies and institutions are required to comply with the policies and procedures set forth in the DGS/DPS APSPM or they may, at their own discretion, establish additional more restrictive policies and procedures.

- 2.1.3. Public bodies (e.g., towns, counties, localities, political subdivisions, etc.) do not fall under the procurement oversight of the DPS/DGS central procurement agency. They are, however, required to comply with the provisions of the Virginia Public Procurement Act (VPPA).

Neither decentralization or centralization of procurement activity optimizes the procurement process. Decentralization ensures that procurement is closer to the customer and thereby increases responsiveness to customer requirements. At the same time, decentralization frequently promotes inefficiencies and increased costs for those processes that are decentralized but lend themselves to a uniform centralized solution. For example, the current decentralized approach to vendor registration requires that vendors register with individual agencies, institutions and public bodies. This decentralized vendor registration process is resource intensive for vendors wanting to do business with the Commonwealth and as a result associated costs are passed to the Commonwealth. In addition, the Commonwealth incurs additional costs for hardware, software, and resources required to support vendor registration at multiple agencies, institutions and public bodies. Clearly it makes more sense to have a central vendor registration.

Due to its decentralized procurement environment, the Commonwealth lacks visibility over the approximate \$6 billion in procurements transacted annually. If the Commonwealth had this information, procurement patterns could be effectively analyzed to determine how best to leverage the Commonwealth's buying power and to obtain the best value for goods and services.

Technology can be used to accommodate the values of a decentralized environment while at the same time promote centralization of functions and data management appropriate to provide visibility and information necessary to enable the Commonwealth to leverage its buying power. Effective utilization of technology can promote a balanced approach to decentralized and centralized procurement thereby optimizing efficiencies of the statewide procurement functions and promoting interfaces with existing local automated purchasing and financial systems.

2.2. Existing Technical Environment – The COVA Perspective

Information Systems Technology Services in the Commonwealth are extraordinarily decentralized. Most COVA Entities provide their own hardware, software, and technology support services. In July 1999, the legislature created the Secretary of Technology position and established the Council on Technology Services (COTS) an advisory board to the Secretary of Technology. COTS has representatives from executive, judicial, and legislative branches, local government, and state universities. There are several central office functions that report to Secretary of Technology.

The Department of Technology Planning (DTP) is responsible for technical planning, executive branch IT policies, procedures, and guidelines, and development of the state enterprise architecture standards.

The Department of Information Technology (DIT) provides shared mainframe and midrange computing support, statewide information technology contracts, statewide telecommunication services and contracts, multi-media and teleconferencing services, and technical consulting services. DIT supports IBM, Unisys, and Unix computing platforms. Two state networks, Network Virginia (ATM) and Commonwealth Telecommunication Network (Frame relay), are managed by DIT. A new contract for telecommunication services has been awarded. Beginning July 2000, the two existing state networks will be consolidated into one common network. DIT also manages the Internet domain – state.va.us – providing DNS registration services for the domain. DIT acts as an internal Internet service provider for agencies without local area networks, mail systems, or direct Internet connections.

COVA Entities have access to high bandwidth Internet connections ranging from fractal T1 to 155 mbs. Many agency branch locations and correctional institutions utilize dial-up networking to access the Internet. These dial-up connections can range from ISDN to static-prone analog voice lines that can only support 44,000 bps or slower connect speeds. Local government entities have the same diversity. Large urban governments have high speed Internet connections while some counties may only have dial-up capabilities.

Desktop computing is not standardized across COVA Entities. As in the private sector, Microsoft operating systems and office applications dominate, but Unix and Macintosh systems are also used. Web browsers are varied with AOL, Internet Explorer, and Netscape dominating. Most organizations support SMTP/IMAP gateways into their e-mail systems.

State agencies, institutions, and universities are required to report expenditure and budgeting data to the Department of Accounts (DOA). Many COVA Entities meet this requirement via ASCII file data transfer between agency-based accounting systems and DOA's Commonwealth Accounting & Reporting System (CARS). CARS is an IBM mainframe application using Adabas database management system. Annually, DOA processes approximately 1.3 million general warrant checks (includes vendor payments, employee travel reimbursements, and revenue refunds), 450,000 individual small purchase charge card transactions, and 352,000 financial EDI vendor invoices.

All state agencies are required to manage state employee records using the state Personnel Management Information System (PMIS). PMIS is a Unisys mainframe application, which provides limited file transfer capabilities (twice per month), and no direct system to system access. PMIS tracks full-time classified and wage employees. Contract and part-time employees are managed at the agency level.

Local government, judicial and legislative entities process their own payment transactions and maintain their own personnel records.

Many COVA Entities maintain enterprise resource planning systems (ERPs) or financial accounting systems. Recent implementations include PeopleSoft Public Sector Financials (versions 5.X – 7.5),

Oracle Financials, KPMG Famous and APICS, and SCT Higher Education Administration Systems.

COVA is currently designing a public key infrastructure (PKI) to support the use of digital signatures. Although the initial e-procurement rollout will not require the use of digital signatures, subsequent implementations may require the use of digital signature technology.

The e-procurement application service provider should accommodate the diversity, described in this section, through the support of multiple browsers, limiting desktop computing requirements, using strategies to minimize required bandwidth and providing flexible system data exchange options.

2.3. Procurement Vision for the Future

The Commonwealth's procurement function will remain decentralized and close to the customer permitting a greater understanding of customer requirements and flexibility in meeting those requirements. Agencies, institutions and public bodies (COVA Entities) will develop creative and innovative procurement approaches to improve customer support.

At the same time, there will be a hosted web based procurement solution that will support the decentralized procurement environment through an electronic procurement portal on the Internet. This portal will allow COVA Entities and vendors to access information needed for conducting business in the Commonwealth including solicitations and contract awards. The portal will host tools such as central vendor registration and the electronic mall for on-line buying. These tools will enable the Commonwealth to leverage its buying power through increased competition. Through the procurement portal the Commonwealth will be able to conduct business in a decentralized manner while capturing the efficiency and effectiveness of a centralized organization. This solution will enable COVA Entities to obtain goods and services easier, faster, and at the best value.

2.4. Definitions

2.4.1. **APSPM:** Commonwealth of Virginia Agency Procurement and Surplus Property Manual published by the Department of General Services, Division of Purchases and Supply under the authority of Section 2.1-442 of the Code of Virginia.

2.4.2. **Best and Final Offer (BAFO):** The last offer provided by an Offeror in response to a Request for Proposal (RFP) and all further negotiation ceases. When the provision for receiving best and final offers is included in an RFP, Offerors are given the opportunity to submit a best and final offer after negotiations have been held. After the best and final offers are submitted, no further negotiations shall be conducted with any of the Offerors and the decision to award is based on rescoring of the best and final offers.

2.4.3. **Bid:** A competitively priced offer made by an intended seller, usually in reply to an Invitation for Bids (IFB). Can also refer to a price offer made at a public auction.

- 2.4.4. **Bidder:** One who submits a competitively priced offer in response to an Invitation for Bids (IFB).
- 2.4.5. **Competitive Bidding:** The offer of firm bids by individuals or firms competing for a contract, privilege, or right to supply specified goods or services.
- 2.4.6. **Competitive Sealed Bidding:** A method of contractor selection which includes the following elements: (1) issuance of a written Invitation for Bids (IFB) containing or incorporating by reference the specifications and contractual terms and conditions applicable to the procurement; (2) public notice of the IFB at least ten days prior to the date set for receipt of bids; (3) public opening and announcement of all bids received; (4) evaluation of bids based upon the requirements set forth in the Invitation for Bids; and (5) award to the lowest responsive and responsible bidder.
- 2.4.7. **Competitive Negotiation:** A method of contractor selection which includes the following elements: (1) issuance of a written Request for Proposal (RFP) indicating in general terms that which is sought to be procured, specifying the factors which will be used in evaluating the proposal and containing or incorporating by reference the other applicable contractual terms and conditions, including any unique capabilities or qualifications which will be required of the contractor; and (2) public notice of the RFP at least ten days prior to the date set for receipt of proposals. Negotiations are conducted with selected offerors and the best proposal, as judged against criteria contained in the RFP, is accepted and an award issued.
- 2.4.8. **Contractor:** An individual or firm that has entered into an agreement to provide goods or services to the Commonwealth.
- 2.4.9. **COVA:** Commonwealth of Virginia
- 2.4.10. **COVA Entity(ies):** Commonwealth of Virginia (state) agencies, institutions, and/or public bodies.
- 2.4.11. **DGS/DPS:** Department of General Services, Division of Purchases and Supply
- 2.4.12. **EFT:** Electronic Funds Transfer.
- 2.4.13. **Electronic Invoice:** Invoice data submitted electronically, in a pre-agreed-to standard file format such as the ANSI X.12 series.
- 2.4.14. **FIPS:** Federal Information Processing System.
- 2.4.15. **Integration:** The rules, formats and functions required to pass data, commands, events, or messages in real time between Solution components and eventually between Solution components, COVA Entity components, and vendor components.

- 2.4.16. **Interface:** Data exchange in a batch processing mode between different application systems or organizations. The ability to read, write, transmit, receive, analyze for error, etc. data between the Solution and customer supported applications.
- 2.4.17. **Invitation for Bids (IFB):** A document, containing or incorporating by reference the specifications or scope of work and all contractual terms and conditions, that is used to solicit written bids for a specific requirement for goods or nonprofessional services.
- 2.4.18. **Late Bid or Proposal:** A bid or proposal that is received at the place designated in the Invitation for Bids (IFB) or Request for Proposals (RFP) after the deadline established by the solicitation.
- 2.4.19. **Offeror:** A person or firm that makes an offer in response to a Request for Proposals.
- 2.4.20. **Meta Data Repository:** Data about data. Meta data describes how and when and by whom a particular set of data was collected, and how the data is formatted. Meta data is essential for understanding information stored in data warehouses. A meta data repository is the organized collection of meta data.
- 2.4.21. **Performance Bond:** A contract of guarantee executed in the full sum of the contract amount subsequent to award by a successful bidder or offeror to protect the government from loss due to the Contractor's inability to complete the contract in accordance with its terms and conditions.
- 2.4.22. **Portal:** The portal is the electronic gateway through which COVA Entities' and vendors' transactions may pass in order to do business electronically. The portal presents one face for procurement to COVA Entities and vendors.
- 2.4.23. **Proposal:** An offer made by one party to another as a basis for negotiations, prior to the creation of a contract. An Offeror's response to a Request for Proposals.
- 2.4.24. **Public Bodies:** Towns, counties, localities, political subdivisions, etc.
- 2.4.25. **Push Technology:** Internet technology that allows information to be delivered or "pushed" directly to a user rather than the user having to go look for the information.
- 2.4.26. **Request for Proposals (RFP):** All documents, whether attached or incorporated by reference, utilized for soliciting proposals; the RFP procedure requires negotiation with Offerors (to include prices) as distinguished from competitive bidding when using an Invitation for Bids.
- 2.4.27. **Solicitation:** Invitation for Bids (IFB), Requests for Proposals (RFP), telephone calls, or any other document issued by the state to obtain bids or proposals for the purpose of entering into a

contract.

- 2.4.28. **Solicitation Response:** Signed sealed and unsealed bids, Signed sealed and unsealed proposals, etc.
- 2.4.29. **Testing Package Validation:** This is the first formal phase of testing, when commercial business applications are in use. The package is evaluated to determine whether it is properly configured and performs correctly, and to identify any incompatibilities between the software package and the environment in which it will operate. Completion of this testing event indicates the package operates acceptably in the target environment. This testing is standard practice among organizations that have set up successful testing environments.
- 2.4.30. **Testing Unit:** This is the most basic level of code testing. It has two major objectives: to verify that the application software component's code works according to its specifications, and to validate program logic. Unit testing accomplishes these objectives by pinpointing discrepancies between what an application software component does and what it is expected to do.
- 2.4.31. **Testing Integration:** In this testing phase, the combinations of individually unit-tested pieces of code are tested as they are merged together. This phase is critical, because it uncovers errors that cannot be found during unit testing due to the errors occurring in the interactions and interfaces between units.
- 2.4.32. **Testing Stress:** In this test phase, tests are conducted to check applications and infrastructure performance at system limits. The tests are used to determine initial capacity requirements necessary to achieve service level performance standards. At a minimum, end-to-end stress tests should measure: (a) Data transfer time between infrastructure and application components are stressed to well-defined limits; (b) Database load time to load a specific number of records and build appropriate indices; (c) Report processing time to complete a specific number of reports at various business cycles (nightly, weekly, etc.) and recommend job scheduling software settings; (d) Maximum user concurrency to identify undersized CPU and main memory server configurations; (e) Impact on desktop/network response time to determine critical business transactions' effect on LAN/WAN/Internet performance (e.g., 5,000 orders per hour will use 30% LAN bandwidth); (f) Database backup/recovery duration to determine backup strategy (database backup versus roll-forward or a combination), reduce backup and restore times, and define storage management requirements. This test will also provide guidelines for historical data archiving strategy for financial and legal purposes.
- 2.4.33. **Testing System:** This phase is the project team's initial test of the independent Solution functionality, performance, and appropriateness. It demonstrates that the Solution meets the original objectives and requirements and that it works within the defined constraints.
- 2.4.34. **Testing System Integration:** This testing event addresses integration of the Solution as a

whole with existing applications (e.g., purchased packages and legacy applications, internally developed software), as well as effective security, infrastructure, and network support/optimization.

2.4.35. **Testing User Acceptance:** The acceptance test should demonstrate that the Solution meets the original business objectives and satisfies user and IT environment requirements. This test should validate that the Solution fits into the real-world business environment in which it will be used. Because it tests whether the Solution will be accepted by the user, it requires involvement of those who will prepare the input, operate the Solution, and use the output.

2.4.36. **Unsealed Bid:** An unsealed written offer conveyed by US Mail, commercial courier service, facsimile, e-mail, or other means. Unsealed bids are normally opened and recorded as received.

2.4.37. **Users:** Known and unknown requestors, buyers, vendors, general public, etc.

2.4.38. **Virginia Public Procurement Act (VPPA):** Chapter 7 of Title 11, Code of Virginia, which is the primary state law pertaining to government procurement from nongovernmental sources.

3. **STATEMENT OF NEEDS:**

3.1. The Business Problem – Overview

Throughout the Commonwealth, day-to-day procurement activities are completed using a variety of desktop applications, automated purchasing systems and manual processes. These applications, systems and processes do not

- a. enable sharing of information and data;
- b. promote cooperative procurement;
- c. provide for application of consistent practice and procedure;
- d. enable the Commonwealth to leverage its buying power to obtain best value for dollars spent; and
- e. enable the Commonwealth to take full advantage of the latest technology to maximize the value of its procurement processes.

Vendors seeking to participate in COVA procurement activities must

- a. register with many state agency, institution and public body purchasing offices;
- b. access a variety of physical and internet information sources; and

- c. become familiar with a myriad of individual agency, institution and public body forms and procedural requirements.

3.2. The Desired Solution – Overview

- 3.2.1. The desired Solution **should** establish a “single face for procurement” for COVA Entity Users and vendors.
- 3.2.2. The desired Solution **shall** satisfy the Commonwealth’s needs for the basic functionality graphically described in RFP Attachment A, Work Breakdown Structure (WBS), and as generally categorized in items a thru f and h thru j below. As indicated below, item g, Surplus Property, is a category of functionality that the Commonwealth desires but does not require.
- | | | |
|-------------------------------------|----------------------|----------------------------|
| a. E-Mall | (Reference WBS 1.1) | Phase 1 – RFP Section 3.3. |
| b. Vendor Data Warehouse | (Reference WBS 1.2) | Phase 1 – RFP Section 3.3. |
| c. Electronic Posting & Delivery | (Reference WBS 1.3) | Phase 1 – RFP Section 3.3. |
| d. Purchasing Data Warehouse | (Reference WBS 1.4) | Phase 1 – RFP Section 3.3. |
| e. Electronic Purchasing | (Reference WBS 1.5) | |
| f. Receiving & Electronic Invoicing | (Reference WBS 1.6) | |
| g. Surplus Property | (Reference WBS 1.7) | Desired/Not Required |
| h. Information Management | (Reference WBS 1.8) | |
| i. Technical Architecture | (Reference WBS 1.9) | |
| j. Services | (Reference WBS 1.10) | |
- 3.2.3. It is envisioned that this “single face for procurement” will be a hosted fully integrated internet web site (hosted “Portal”) that takes full advantage of the latest technology, industry standards and best business practices to enable COVA to maximize the value of its procurement processes and to reduce costs.
- 3.2.4. The desired Solution is intended to work with and not to replace existing COVA Entity systems. It will be up to individual COVA Public Bodies whether they elect to use all, none, or only some of the Solution functionality. State agencies and institutions will determine whether to use all, none, or only some of the Solution functionality in accordance with Executive Order 65

issued May 24, 2000, by the Office of the Governor.

- 3.2.5. COVA intends that the desired Solution be funded using an economic model that enables distribution of costs between COVA Entities, suppliers and other potential solution-generated revenue streams as articulated in RFP Section 4.2.32, Pricing and Revenue. Notwithstanding the foregoing, the economic model shall not result in costs that create an undue barrier to participation in the Solution by COVA Entities and suppliers.
- 3.2.6. The Solution **shall** support access by known and unknown Users (e.g., requestors, buyers, vendors, general public, etc.).

3.3. The Desired Solution – Deployment / Implementation

COVA envisions that Offerors may propose a phased approach (including depth and breadth) to deployment/implementation of the proposed Solution. Such proposals should identify the order in which the proposed functionality will be deployed/implemented, the business rationale and benefit for the proposed order of deployment/implementation, and the schedule (i.e., dates) by which the proposed functionality will be available for initial testing/acceptance and subsequent deployment/implementation.

Notwithstanding the provisions of the above paragraph, Offerors are hereby advised that:

- a. by February 15, 2001, the Contractor is expected to deploy, as a minimum, the basic functionality listed in RFP Sections 3.2.2.a through 3.2.2.d and any other functionality or services necessary to meet this expectation.
- b. the expectation set forth above should be reflected in the Offerors' proposals and identified as "Phase 1" functionality and related services.
- c. Offerors' proposed plans to meet the above-stated expectation for deployment of Phase 1 functionality and related services (including depth and breadth) will be given specific consideration in the evaluation of proposals received.
- d. Offerors' proposed plans to exceed COVA's minimum expectation for Phase 1 functionality and related services (including depth and breadth) will be given specific consideration in the evaluation of proposals received.
- e. Offerors' proposed plans to achieve the full functionality and related services set forth in this RFP will be given specific consideration in the evaluation of proposals received.

Based on the above considerations, DGS/DPS anticipates close adherence to the following schedule:

June 15, 2000
June 22, 2000

RFP Issue Date
First Deadline for Submission of Questions

June 27, 2000	Pre-proposal Conference
June 30, 2000	Final Deadline for Submission of Questions
August 9, 2000	Deadline for Submission of Proposals
September 7-14, 2000	Oral Presentations, If Requested by DGS/DPS
September 25-28, 2000	Negotiations
October 13, 2000	Contract Award
February 15, 2001	Implementation of Phase I Functionality & Services
12/01/2001 or as Otherwise Negotiated	Implementation of Subsequent Phases

3.4. Functionality – The Desired Solution

COVA desires to receive proposed Solutions that promote process and workflow efficiencies; the integrity, impartiality, and openness of COVA's procurement activities; and compliance with applicable provisions of the Code of Virginia including the Virginia Public Procurement Act and the Uniform Electronic Transactions Act. Notwithstanding this vision, it is not COVA's desire to automate the existing process.

RFP Attachment B, Process and Document Workflow Concepts, is included to demonstrate this vision and to provide a detailed example of one approach to addressing COVA's functional requirements. It should be used as an aide to the Offeror in understanding the COVA vision and should not limit the Offeror from proposing innovative and creative approaches to meeting COVA needs.

The Solution **should** include:

- 3.4.1. E-Mall: Provide E-Mall functionality of on-line ordering (i.e., the shopping cart experience) incorporating utilization of state contracts and mandatory sources, and comparison shopping from vendor price lists and/or open web searches. The process includes:
 - a. Requisition entry to capture purchasing requirements/needs;
 - b. On-line ordering (i.e., the shopping cart experience);
 - c. Acceptance of charge card numbers, purchase order numbers, and electronic purchase orders in support of payment processing;
 - d. Provide supplier with electronic order information; and
 - e. Capture and provide, at time of order, accounting data to some existing COVA Entity systems. Such data may include:
 - (1) Vendor Federal Employee Identification (Tax ID) Number
 - (2) Agency or FIPS Number;
 - (3) Fund/Fund Detail;

- (4) Program/SubProgram;
- (5) Account Code;
- (6) Funding Fiscal Year;
- (7) Total Dollar Amount;
- (8) Purchase Date; and
- (9) Free Form Fields.

- 3.4.2. Vendor Data Warehouse: In support of “push technology”, bid list, electronic bidding and other functionality; capture, store, maintain, allow user update, allow confirmation, enable retrieval and reporting of Vendor Data such as:
- a. Vendor demographic information including multiple addresses, service areas, contacts, phone numbers, fax numbers, and e-mail addresses;
 - b. Vendor business classifications such as reseller, manufacturer, small business, women-owned business, minority-owned business, etc.;
 - c. Registration information including products/services provided (using commodity codes such as the NIGP code structure), solicitation “remit-to”, W-9 type data, and EFT codes;
 - d. Producing vendor lists that can be used for activities such as distribution of procurement documents (e.g., solicitations) by various methods including mail, individual and broadcast e-mail, and individual and broadcast fax;
 - e. Sign up for e-mail notification for posted procurement opportunities (i.e., solicitations); and
 - f. Vendor performance assessment information on specific procurements.
- 3.4.3. Electronic Posting and Delivery: Provide capability to electronically post and distribute procurement related notices and information such as solicitations, award notices and bid results.
- 3.4.4. Purchasing Data Warehouse: Capture, store, maintain, enable retrieval and reporting of purchasing data and electronic documents such as:
- a. Procurement transactions passing through the Solution;
 - b. Loading of charge card transactions captured by the charge card vendor(s) which were processed outside the Solution; and
 - c. Provide meta data repository providing data elements, definitions, and attributes.
- 3.4.5. Electronic Purchasing: Enable the Division of Purchases and Supply and those COVA Entities choosing to utilize this component, to conduct the entire procurement process electronically

from the point of need through contract administration. Intermediate stages of the process may include:

- a. Entry and/or interface of requisitions;
- b. Routing requisitions for approval (according to an organization's business rules);
- c. Searching and selecting suppliers;
- d. Option to fulfill requisitions through the E-Mall;
- e. Option to fulfill requisitions utilizing on-line bidding (e.g., reverse auction) functionality;
- f. Creating and sending solicitations;
- g. Secure submission of bids and proposals as set forth in RFP Section 3.5.7.h.;
- h. Evaluating bids and proposals;
- i. Creating and sending purchase orders, contracts, purchase order changes, and contract modifications to suppliers;
- j. Capture and provide, at time of order, accounting data to some existing COVA Entity systems. Such data may include:
 - (1) Vendor Federal Employee Identification (Tax ID) Number
 - (2) Agency or FIPS Number;
 - (3) Fund/Fund Detail;
 - (4) Program/SubProgram;
 - (5) Account Code;
 - (6) Funding Fiscal Year;
 - (7) Total Dollar Amount;
 - (8) Purchase Date; and
 - (9) Free Form Fields
- k. Contract administration and closeout.

3.4.6. Receiving and Electronic Invoicing: Facilitate the payment process by providing the capability to capture receiving and invoice data within the Solution and pass this data/information electronically to existing COVA Entities that choose to participate.

3.4.7. Surplus Property: Provide functionality to support management of the COVA Surplus Property program including property redistribution among qualifying COVA Entities, as well as property

availability to E-Mall and Electronic Purchasing and private sales such as auctions and bids.

3.4.8. Information Management: Provide capabilities to store, manage, report, analyze and archive procurement related information and documents such as:

- a. Standard commodity code data;
- b. Standard specification documents and other reference documents such as CAD drawings, spreadsheets, word processing documents, images, etc.;
- c. Tracking of procurement transactions;
- d. Workflow management and approvals;
- e. Standard and ad-hoc reporting of all transaction and configuration data;
- f. Display, array and analyze the data graphically and numerically;
- g. Reporting and analysis of purchasing and vendor data; and
- h. Capture professional experiences in knowledge base, acting as a source for help and lessons learned.

3.4.9. Services: Enable interfaces with existing COVA Entity systems which include PeopleSoft, Oracle, KPMG (APICS and Famous), SCT Higher Education Administration Systems.

COVA Entities with existing purchasing systems may desire to interface to different points in this process such as:

- a. Requisitions from COVA Entity systems to the Solution for processing by the Division of Purchases and Supply;
- b. Vendor bid list information from the Solution to COVA Entity systems; and/or
- c. Solicitations from COVA Entity systems to the Solution for electronic posting and delivery (push).

3.4.10. Web Services:

- a. Be accessible to all COVA Entities and vendors from a common WEB address.
- b. Provide web hosting services that:

- (1) provide the highest level of security, availability, and responsiveness;
- (2) monitor and report system usage and performance statistics; and
- (3) maintain separate training, testing, and production environments for COVA Entity use throughout the life of the contract.

3.4.11. Services:

- a. Support DGS/DPS's statewide procurement role;
- b. Support activities of some 450-500 state agencies, institutions, and public bodies; and
- c. Support 4,000 or more concurrent sessions during peak usage.

3.5. Technical Architecture

This procurement **requires** provisioning of an externally hosted application. As such, COVA will not specify hardware or software requirements. To ensure a successful implementation, the Solution **must** follow best practices in its design, deployment, and administration. COVA expects the highest level of data security and application availability/performance. Data stored on the Solution **must** be in a secured database environment and available only to defined processes. The external application provider **should** use appropriately secured servers. Administrative access into the Solution **should** be minimized and well controlled. The Contractor will be **required** to regularly communicate to COVA a list of system administrators. The Contractor **must** have written security policies and procedures and appropriate processes to ensure they are followed. The Solution **shall** be web server centric, requiring only a standard web-browser to access and utilize basic functionality of the Solution.

3.5.1. Performance and Reliability

a. Portable and Scalable

- (1) The Solution **should** be portable and scalable across multiple hardware, operating systems, web servers, and database management systems. The Solution **should** have deployment options which include:
 - Operating Systems: Windows NT and UNIX
 - Database Management: Oracle and SQL Server
- (2) The Solution's Database Management System **should** be ODBC and/or OLE DB compliant.
- (3) The Solution's architecture **should** provide well defined alternatives to correct

performance and scalability bottlenecks.

b. Availability

The Solution **should** be architected to ensure 100% availability between peak use hours (i.e., 8am – 5pm EST, Monday –Friday). Sufficient redundancy **must** be maintained so that the system appears to be available 24-hours-a-day 7-days-a week. Redundant servers, mirrored servers or fail-over devices **should** be architected so failure of a single component does not affect overall system availability. Multiple points of presence to multiple Internet Service Provider’s (ISP’s) **should** also be in place.

Within the first year of implementation, it is expected that the Solution will reach a 100% level of availability from 8am- 5pm EST Monday thru Friday. Availability is defined as the ability to process transactions according to Service Level Agreement (SLA) performance levels.

c. Response Time

The Solution **should** be monitored using an independent response time measurement service. The Solution **should** meet or exceed the response time average of the independent time measurement services weekly response site benchmark.

The benchmark standard **should** calculate the average response time experienced by a control group of world wide web users on the Internet across the United States during peak use hours 8am –5pm EST Monday – Friday.

3.5.2. User Interface

a. Client Access

- (1) Access to the Solution **shall** be through a web browser. The Solution **shall** support multiple client web browsers. At a minimum the Solution **should** support current versions of Microsoft Internet Explorer, Netscape Navigator (Communicator), and America On-Line Browser.

Most Browsers By Brand Preference DPS Web Stats For The Period May 1 thru May 31, 2000		
AOL	23,919 Sessions	45.78% Of All Sessions
MS Internet Explorer	18,398 Sessions	35.21% Of All Sessions
Netscape	7,617 Sessions	14.58% Of All Sessions
Other	1,457 Sessions	2.79% Of All Sessions
WebTV	444 Sessions	0.85% Of All Sessions

MSPProxy	407 Sessions	0.78% Of All Sessions
Opera	2 Sessions	0.00% Of All Sessions
Lotus Notes	2 Sessions	0.00% Of All Sessions

Most Popular User Operating Systems Used For Access: DPS Web Stats For The Period May 1 thru May 31, 2000		
Windows 98	26,883 Sessions	51.45% Of All Sessions
Windows 95	15,812 Sessions	30.26% Of All Sessions
Windows NT	4,263 Sessions	8.16% Of All Sessions
Unknown	3,046 Sessions	5.83% Of All Sessions
Windows 3.1x	1,189 Sessions	2.28% Of All Sessions
MacIntosh PPC	804 Sessions	1.54% Of All Sessions
MacIntosh	199 Sessions	0.38% Of All Sessions
Sun OS	24 Sessions	0.05% Of All Sessions

- (2) The Solution **should** require only a standard Internet connection and TCP/IP protocol to access most Solution modules. Access requirements through firewalls **should** be clearly identified and follow standard port designations where possible.
- (3) COVA understands the Solution data warehouse components may require additional reporting/client access software. The overall Solution **should** include all software necessary for data warehouse access.

b. Ease Of Use

- (1) The Solution's web site screen design **should** minimize the user's visual, intellectual, mental and motor work.
- (2) The Solution's web site **should** have clear and logical navigation, text, and visual aids.
- (3) Design elements **should** be standardized and used consistently.
- (4) The Solution's web site **should** guide new and experienced users by providing obvious navigation paths.
- (5) All links **should** have text labels that are easily understood, descriptive, and predictive of the information contained beyond the link.
- (6) Text **should** be brief and succinct. The site **should** minimize horizontal scanning.
- (7) Color and graphics **should** be used to guide Users through the site. The pages **should**

make sense visually.

- (8) The Solution **should** be designed to customize the look and behavior of web sessions for senders and recipients.
- (9) Users **should** have a text only option.
- (10) The Solution **should** ensure downloads are short (5-10 seconds or less) even under poor Internet conditions.

c. Personalization and Profiles

The Solution **should** provide the following functionality:

- (1) The reuse of Users' demographic information including name, shipping addresses, invoicing addresses, e-mail addresses, etc.
- (2) Access to information and processes based on the User's class, role, and/or individual requirements.
- (3) Authenticate and control order, payment, and supply limits.
- (4) Provide for learning buying or supplying preference.
- (5) Single Sign-On
 - (i) The Solution **should** streamline the use of Solution modules and required access to other web sites through a single authentication event. Users of the Solution **should** be able to research, post solicitations, place orders, conduct open buying activities, and respond to solicitations, etc. without the need to remember multiple user-ids and passwords, entering the same user id and password multiple times, or having to logon multiple times between Solution components.
 - (ii) Establishing and removing access to the Solution and all of its functions **should** require only one registration or revocation event.

(6) Digital Wallet

The Solution **should** enable a digital wallet that stores and retains credit card payment and billing/shipping information including account numbers at the User's request/option.

3.5.3. Data Management / Catalog Management

a. Data Consistency

All COVA data **shall** be backed up daily and stored in a secure off-site location. Data entered between full backup cycles must be managed in a manner to ensure no loss of data due to hardware, software, or user error.

b. Information Management

The Solution **should** provide information that enables COVA Entities to manage the procurement process spanning both buyers and vendors. The Solution **should** support a combination of internal buyer-managed content, external vendor managed content and network-managed content. Appropriate information views **should** span trading partners creating appropriate external views of transaction data. For example, the Solution should provide vendor access for the analysis of buying patterns or their products. In a similar manner, a buyer should have access to buying patterns across all COVA Entities and vendors for a commodity or specific product. Output reports, analyses, etc. **should** be complete, accurate, and secure.

COVA **should** have the capability to restrict access to sensitive purchase information or patterns. For example, purchase information of equipment used for public safety should not be released without specific approval.

c. Ownership and Portability

- (1) All stored data and information **shall** be owned by the Commonwealth.
- (2) The Contractor **shall** ensure the portability of all stored data and information.
- (3) The Contractor **shall** ensure appropriate logical and physical access and handling of hosted Solution data.
- (4) The Contractor **shall** protect against data leakage.
- (5) The Contractor **shall** obtain written approval from the DPS Contract Administrator prior to re-sale or non-COVA use of information.

d. Data Possession

- (1) The Contractor **shall** ensure that each COVA Entity is provided the ability to extract a copy of the Entity's data transactions at regular intervals and in a format prescribed by COVA.
- (2) The Contractor **shall** ensure that the COVA Department of General Services, Division

of Purchases and Supply is provided the ability to extract on demand all COVA Entity transactions in a format prescribed by COVA.

- e. The Solution **should** manage both structured and unstructured data. The information architecture **should** provide for ensuring the confidentiality of specified document sections.
- f. The Solution **should** support buyer-managed, vendor managed and network-managed catalog content.
 - (1) Buyer-managed catalogs **should** allow buyers and vendors to store catalog data on COVA Entity premises or on the Solution's site and to maintain the catalog accurately by automated updates from buyers and-vendors.
 - (2) Vendor managed catalog support **should** permit the Solution to connect directly to vendor sites and view real-time contract-specific catalogs.
 - (3) Network-managed support **should** allow the Solution to access catalogs aggregated from many vendors by an intermediary.
 - (4) The Solution **should** provide for the web-hosting of and development assistance for vendor catalogs.
- g. The Solution **should** provide for on-line data retention of all transactions a minimum of 5 years without affecting Solution response time and performance. The Solution **should** provide an electronic audit trail and effective dating of key information components to allow historic retracing of events without the need to reload historic point-in-time databases.
- h. Content Management / Taxonomy
 - (1) The Solution **should** provide a logical organization for search and selection of common items across multiple vendor catalogs.
 - (2) The Solution **should** support a commodity code hierarchy, such as the NIGP code structure.
 - (3) The Solution **should** provide for free-form searches of catalog items.

3.5.4. Integration

- a. All components and functionality of the Solution should be integrated.
- b. COVA anticipates that more than one commercially available software package will be used to provide all COVA desired functionality. The Solution should integrate these

packages into an easy-to-use “seamless” offering. Integration **should**:

- (1) Include transfer of required data throughout all procurement activities.
- (2) Include a single log-in/user authentication event per end-user session.
- (3) Automate the process of sending and receiving files, messages, and documents to and from the Solution server for delivery.
- (4) Incorporate the use of digital signature certificates in the signing of procurement documents.
- (5) Incorporate the use of smart cards and biometrics security devices.

3.5.5. Interfaces

- a. The Solution **should** include a comprehensive set of standard application interfaces that COVA Entities may choose to incorporate into their existing service infrastructures. This set of interfaces should separate data by COVA Entity and should include at a minimum:
 - (1) vendor registration data export (new vs. modified),
 - (2) vendor bid list export,
 - (3) e-mail shopping results export,
 - (4) requisition import,
 - (5) solicitation import and export (minimum of MS Office, RTF, and pdf formats),
 - (6) solicitation changes import and export (minimum of MS Office, RTF, and pdf formats),
 - (7) vendor bid import,
 - (8) solicitation bids/responses export,
 - (9) order data import (for pass through ordering from COVA Entity enterprise systems),
 - (10) order data, including accounting data export,
 - (11) invoice import and export,

- (12) purchase transaction summary export,
 - (13) vendor catalog import (for hosting),
 - (14) receiving data export, and
 - (15) vendor performance data import and export.
- b. The interfaces **should** be based on industry standards and be supported by one or more major high-level languages, such as C++, Java, and COBOL.
 - c. The interfaces **should** accommodate the following uses:
 - (1) Interface the Solution with existing COVA enterprise resource planning systems.
 - (2) Interface the Solution with vendor catalogs and order fulfillment systems.
 - (3) Interface the Solution with related e-government applications.

3.5.6. Document Exchange

- a. The Solution **should** provide for document exchange between senders and recipients that use different software applications and fonts. The Solution **should** provide a means to ensure documents can or cannot be changed based on sender's preference.
- b. The Solution **should** be capable of automating mass mailing of documents. Mail sent from the Solution **should** be capable of retrieving addresses from a directory.

3.5.7. Security and Encryption

As security technologies on the Internet continue to evolve, the Solution **should** not use proprietary security solutions. Open protocols like Web-based S/MIME for end-to-end encryption, and Secure Sockets Layer (SSL) technology for document encryption and protection during transmission to and from the web servers will be preferred over proprietary security solutions providing similar functionality. As browser-based security changes, the Solution **should** be able to leverage new technology without significant change.

The Solution **should** provide the following security functions:

- a. The Solution **should** support clear text and encrypted email transmissions with clear text and/or encrypted attachments.
- b. The Solution **should** ensure that all electronic file and message transfers are accurately

date and time stamped, identify file and message owner, are restricted to appropriately authorized individuals, and maintain file and message integrity and confidentiality. Time and date stamps **should** be managed in a manner to ensure non-repudiation.

- c. The Solution **should** ensure that messages, files, and documents can be exchanged reliably and with confirmation.

- (1) Protection during Transmission

- All transmissions, online or batch, (from the sender to the server, and from the server to the recipient) **shall** be complete, accurate, confidential, secure and protected against interception of transmission content during transit.

- (2) Protection on the Server

- While files, data, and documents await retrieval from the server, they **should** be protected against unauthorized access and maintain document integrity and confidentiality. Files, data, and documents **should** be protected from potential intruders.

- (3) User Authentication

- Access to the Solution **should** provide for strong user authentication. During file and document transfers the sender **should** have the option to provide for authentication of sender and recipient.

- d. Access to programs and data **shall** be restricted to appropriately authorized individuals. Sensitive/restricted data **shall** be stored in a manner that prevents unauthorized viewing, access, or manipulation (i.e., credit card numbers, social security numbers, passwords, etc. shall be encrypted).

- e. Physical access to computer equipment, storage media, and program documentation **shall** be restricted to properly authorized individuals.

- f. Authorizations and Signatures

- The Solution **should** incorporate utilization of Digital Signatures and/or other forms of user authorizations which comply with the provisions of the Uniform Electronic Transactions Act (UETA) as modified and enacted by COVA. (Reference RFP Section 11.F.)

- g. The Solution **should** allow use of smart cards and biometric security devices where strong authentication is required.

h. Secure Submission of Bids and Proposals

The Solution **should** incorporate functionality that enables vendors to electronically submit secured bids and proposals. This functionality **should** enable COVA to:

- (1) demonstrate the date and time bids and/or proposals were received;
- (2) demonstrate the date and time bids and/or proposals were opened;
- (3) determine that bid and/or proposal documents were not opened, viewed, and/or altered from the time electronically transmitted by the bidder or offeror; and
- (4) share bid and/or proposal documents among various COVA procurement officials responsible for their receipt, evaluation, and award determination/processing.

3.5.8. Business Practices and Related Procedures

- a. The Contractor's business practices and policies and procedures **should** provide reasonable assurance that:
 - (1) Changes, enhancements and new modules to the Solution (hardware, systems software, application) are authorized, tested, approved, properly implemented, and documented;
 - (2) The Solution modules perform as documented;
 - (3) The Contractor can provide continuity of operations
- b. The Contractor **should** ensure that employees with access to sensitive data and/or operations successfully complete a criminal background check.
- c. The Contractor **should** arrange for an annual independent report on the controls employed by the Contractor over the functions and services provided under this contract. The review **shall** be conducted by a qualified entity which meets the Division of Purchases and Supply's approval. The Offeror **should** specify the frequency and type of report(s) to be issued such as the American Institute of Certified Public Accountants (AICPA) Statement on Auditing Standards No. 70 (Type II), Reports on the Processing of Transactions by Service Organizations, or a report based on the AICPA's Web Trust standards.
- d. The Contractor **should** perform periodic audits that test the security of the site and gauge its resistance to intrusion.

- e. The Contractor **shall** develop a Service Level Agreement (SLA) with COVA that may include performance criteria such as application availability, application response time, number of problems, satisfaction with help provided, and projects on time and on budget, costs and/or revenue objectives met.

3.5.9. Upgrade and Version Controls

COVA Entities will require time and assistance to effectively respond to modifications or upgrades to the Solution that require modifications or upgrades to COVA Entity hardware, software, processes, or interfaces. The Contractor **should** develop a configuration/change management plan that addresses this requirement.

3.6. Contractor Services

3.6.1. Procedure Development and Documentation

a. Procedure Development

The Contractor **shall** work with the COVA Department of General Services Project Team to develop and document appropriate procedures to ensure Solution and Solution Users' compliance with mandatory and desirable purchasing laws, regulations and policies.

b. On-Line Help

Extensive online help is envisioned to be a key component of the Solution. The Contractor **should** provide a documentation package that is an accessible, online help feature of the Solution.

c. Printed Documentation

The Contractor **should** provide a master copy of each manual/guide for the proposed Solution. The Contractor **should** also provide manual updates corresponding to any change/update in the Solution. Each manual/guide and update thereto **should** be provided in reproducible hard and electronic formats.

At a minimum, the following manuals/guides **should be provided:**

(1) Users Guide

This manual **should** include step-by-step instructions to all system functions available to Users. This manual **should** include policy guidelines for the entry of information to the Solution as well as an introduction to the Solution; functions of each Solution component; instructions on queries; all available reports and sample queries and

reports with complete instructions on their purpose and how they are generated. This manual **should** also include “cheat sheets” which can be displayed for easy reference by Users.

(2) Operations Manual

This manual **should** provide a technical description of the system and its operations. A summary sheet **should** be supplied which can be displayed for easy reference by IT Support Staff.

(3) Procedures Manual

This manual will be used in conjunction with all training. The manual **should** include detailed procedures for all system functions, as well as security and quality control. Each manual **should** be a complete guide to the operation of all activities associated with a particular function. This manual **should** describe in narrative fashion each step involved in performing an activity. A “cheat sheet” also **should** be provided for each activity. The manual for each function **should** be organized by activity and must contain a comprehensive index so a reader is directed to the proper procedure for each activity.

3.6.2. Integration Services

Integration of Solution components and functionality is described in RFP Section 3.5.4.

As the Solution and use of the Solution evolves, COVA Entities and/or vendors may desire additional integration components for functionality such as:

- (a) Integrate with the Solution and COVA Entities’ databases and ERP applications.
- (b) Integrate with the Solution and vendors’ catalogs and supply chain applications.
- (c) Augment or replace sub-components of the Solution with COVA specified delivery gateways.

To ensure COVA Entities and/or vendors have access to the optional integration services necessary to meet such evolving requirements, proposals shall include time and material rates for purchase of supplemental integration services on an as needed basis by COVA Entities and vendors.

3.6.3. Interface Services

The Contractor **shall** offer optional time and materials rates for services necessary to develop

interfaces between the Solution and existing COVA Entity and Vendor systems. These services will be for interface requirements other than the standard interfaces identified in RFP Section 3.5.5. These optional time and materials services **should** include translation services for those COVA Entities and Vendors that have already established interface utilities based on existing standards.

Examples of existing COVA Entity systems include:

- (a) PeopleSoft
- (b) Oracle
- (c) KPMG (APICS and Famous)
- (d) SCT Higher Education Administration Systems
- (e) AMS – American Management Systems

3.6.4. Implementation Services

- a. The Contractor **should** provide a mature project management methodology and use structured systems development and implementation methodologies. It is highly desirable for the Contractor to provide a dedicated Project Manager that will coordinate with the COVA Department of General Services Functional and Technical Project Managers. The Contractor's Project Manager will be expected to prepare steering committee briefings, status reports, and regular project work plan updates, and work with the COVA Department of General Services Project Team in implementing the Solution. The Contractor's Project Manager's responsibilities **will** include:
 - (1) Project Work Plans And Schedules;
 - (2) Regular Status Reporting;
 - (3) Task Assignment For All Contract And Sub-contract Personnel;
 - (4) Identification Of Tasks Required To be Performed by COVA Entities;
 - (5) Development Of Project Documentation And Deliverables (see below);
 - (6) Compliance With Agreed To Methodologies And Standards;
 - (7) Risk Analysis And Contingency Planning;
 - (8) Testing To Include Product, Unit, Integration, Systems, Systems Integration, And Stress;
 - (9) Test Results Documentation;
 - (10) Data Conversion Planning And Validation
 - (11) Assistance With User Acceptance Testing;
 - (12) Quality Assurance;
 - (13) Change Management And Issue Resolution;
 - (14) Security Architecture And Roles Design;
 - (15) Post Implementation Review; and
 - (16) Customer Satisfaction Assessment.

- b. The Contractor **should** plan on developing, and providing in electronic format, the following project documentation and deliverables.
- (1) Weekly Progress Status Reports;
 - (2) Baseline Project Plan And Regular Updates To Project Plan;
 - (3) Web-host Risk Management Plan;
 - (4) Web-host Transaction Incident Management Plan;
 - (5) Web-host Business Continuity Plan;
 - (6) Web-host Configuration Management Plan;
 - (7) Solution Service Level Agreement And Monitoring Plan;
 - (8) Application Development Configuration Management Plan;
 - (9) Project Risk Management Plan;
 - (10) Change Compliance Issues Strategies (identification of problems that will prevent use of the Solution and strategies to resolve the problems);
 - (11) Change Management Plan;
 - (12) Application Impact Document (effect of implementation on COVA enterprise applications and agency/local government applications);
 - (13) Logical Design Documents Including:
 - Finalized Requirements Document
 - Fit/Gap Analysis Documentation
 - To Be Data Models
 - To Be Process Models
 - (14) Programming Specifications;
 - (15) Interface Specifications;
 - (16) Data Conversion Maps And Programming Specifications;
 - (17) Data Conversion Validation Strategy, Programming And Validation Report Development;
 - (18) Data Validation Strategy;
 - (19) Test Schedule;
 - (20) Test Scripts And Results;
 - (21) Data/Process Authorization To Role Security Matrix;
 - (22) Post Implementation Review Plan And Survey Documents;
 - (23) Customer Assessment Document;
 - (24) A web-hosted Application That Meets The Requirements Of This RFP;
 - (25) Assistance With Any Required Control Table Data Setup And Documentation Of Setup Decisions;
 - (26) Training Program Materials And Initial Training;
 - (27) A Marketing Program;
 - (28) Customer Care Facility;
 - (29) Operating Procedures;
 - (30) User Documentation;
 - (31) Systems Documentation; and
 - (32) Data Retention Program And Archive Process.

- c. Proposals shall include optional time and materials rates for implementation services for purchase as needed by COVA Entities desiring implementation services not specifically identified in the preceding paragraphs

3.6.5. Data Conversion Services

The Contractor **shall** provide time and materials conversion services for existing vendor, commodity code and contract data files and load them into the Solution. Active data files will be provided to the Contractor as ASCII flat files.

In addition, the Contractor **shall** provide optional time and materials data conversion services for purchase as needed by COVA Entities and vendors desiring data conversion services not specifically identified in the preceding paragraph.

All Data Conversion services will include testing of data conversion programs and data validation assistance after the move to production.

3.6.6. Catalog Services

The Contractor **shall** offer optional time and materials services for purchase as needed by COVA Entities and vendors desiring development assistance and hosting of catalogs.

3.6.7. Help Desk – “Customer Care”

The Contractor **shall** provide “Help Desk” support services to Users of the Solution. These services **should** be available Monday through Friday, 8am-5pm EST and **should** include:

- a. resolution of problems and questions regarding the use, functionality and capabilities of the Solution;
- b. provision of specific information on all services offered as part of the Solution;
- c. dissemination of information to Users on changes/enhancements to the Solution;
- d. provision, maintenance and management of web-based problem reporting functionality;
- e. web published announcements, “frequently asked questions and answers”, and new information regarding the Solution;
- f. notification to COVA administrators of planned and unplanned Solution maintenance;
- g. development and maintenance of a call/contact escalation procedure;

- h. monitoring and reporting to COVA administrators customer satisfaction ratings.

3.6.8. Training and Documentation

For the life of the Contract, the Contractor **shall** maintain a virtual computer-based training environment for COVA Entity use.

- a. The Contractor **shall** develop and deliver comprehensive training as follows:

- (1) User Training

Initial User training for not less than 20 COVA employees using the Solution

- (2) IT Support Staff Training

Initial training for not less than 20 COVA project staff, hardware and network support staff, software support staff, and production processing staff in the use and support of the Solution including methodologies, automated tools, system software and application software.

- (3) “Train-The-Trainer” Training

Training for not less than 20 COVA employees who may deliver supplemental training to additional COVA Entity and vendor Users of the Solution, as well as to COVA Entity and vendor IT Staff supporting the Solution.

Generally, this comprehensive training **should** include step-by-step written (paper and electronic) procedures and directions in the use of all activities supported by the Solution. A copy of all training material and instruction manuals **shall** be provided to the COVA Department of General Services for future training it conducts. All training materials and instructor manuals (paper and electronic) provided by the Contractor to the COVA Department of General Services **shall** become the property of the Commonwealth and, as such, the Commonwealth can copy and distribute this property without restriction.

- b. For COVA Entities and Vendors

Proposals **shall** include, for purchase as needed by COVA Entities and vendors, training options such as:

- (1) Follow-up training for COVA Department of General Services Users, IT Support Staff and Trainers.

(2) Initial and follow-up training for other COVA Entity Users, IT Support Staff, and Trainers.

(3) Initial and follow-up training for Vendors.

This optional training **may** include categories for on-site (a location specified by the COVA Entity or Vendor), off-site (a location specified by the Contractor), and/or virtual computer-based training. Furthermore, COVA Entities and vendors **may** aggregate their training requirements to achieve cost efficiencies. This optional training **should** include step-by-step written (paper and electronic) procedures and directions in the use of all activities supported by the Solution. All training materials and instructor manuals (paper and electronic) provided by the Contractor to COVA Entities or vendors **shall** become the property of the Commonwealth and, as such, the Commonwealth can copy and distribute this property without restriction.

3.6.9. Consulting Services (Time and Materials)

The Contractor **shall** offer the Commonwealth, COVA Entities, and vendors optional time and materials consulting and customization services for purchase on an as-needed-basis.

3.6.10. Travel and Travel-Related Expenses

The Contractor and the COVA Entity or the vendor **shall** mutually agree on the scope of reasonable travel and travel-related expenses for which the COVA Entity or the vendor will be responsible in conjunction with the purchase of any optional services provisioned in the Contract. At the COVA Entity's or the vendor's option, it may elect to make some travel arrangements (e.g., air travel, hotel, rental cars, etc.) on a direct bill basis. The Contractor and the COVA Entity or the Vendor may mutually agree to establish maximum reimbursable rates for some or all travel and travel-related expenses. The scope of reasonable travel and travel-related expenses for which the COVA Entity or the Vendor will be responsible **shall** be documented on or before the services for which such expenses may accrue are booked and delivered.

3.7. Exit, Transition, and Escrow Strategy

COVA needs to plan for the potential transfer of the Solution to another contractor. The transfer could occur upon expiration, cancellation, or termination of the contract.

COVA needs to understand current business practices in this area. The Offeror **should** provide strategies and alternatives for the transition of the Solution that protects COVA Entities' and vendors' investment in training and interface bridges and programs.

The Offeror should describe any escrow arrangements or other strategies for the Solution and Solution data that could be negotiated to ensure COVA Entities and vendors can continue to use the Solution in

the event the Offeror is no longer capable of providing or supporting the Solution.

4. **PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS**

4.1. General Requirements:

4.1.1. RFP Response:

In order to be considered for selection, Offerors must submit a complete response to this RFP. One (1) original and fifteen (15) copies of each proposal must be submitted to the issuing state agency. No other distribution of the proposal shall be made by the Offeror.

a. Original. The original proposal shall be signed by an authorized representative of the Offeror. This original proposal shall include:

- The complete original RFP, in printed form, with signed coversheet;
- The original signed RFP Addenda, if any, in printed form;
- The Completed RFP Attachment C, Offeror's Data Sheet, in printed form;
- The Completed RFP Attachment D, Submission Forms: Participation In State Procurement Transactions By Small Businesses and Businesses Owned By Women and Minorities, in printed form;
- All information requested in the RFP, in printed form;
- A CD-ROM disc containing the RFP response files in Microsoft Office Word 97 or lower;
- The completed RFP Attachment E, Pricing and Revenue Workbook, in printed form; and
- A separate CD-ROM disc containing the completed RFP Attachment E, Pricing and Revenue Workbook, in Microsoft Office Excel 97.

Each component of the original proposal must be clearly labeled "Original".

b. Copies. Copies of the proposal shall include:

- A copy of the signed RFP coversheet, in printed form;
- Copies of the signed RFP Addenda, if any, in printed form;
- The Completed RFP Attachment C, Offeror's Data Sheet, in printed form;
- The Completed RFP Attachment D, Submission Forms: Participation In State Procurement Transactions By Small Businesses and Businesses Owned By Women and Minorities, in printed form;
- All information requested in the RFP, in printed form;
- A CD-ROM disc containing the RFP response files in Microsoft Office Word 97 or lower;
- The completed RFP Attachment E, Pricing and Revenue Workbook, in printed

form; and

- A separate CD-ROM disc containing the completed RFP Attachment E, Pricing and Revenue Workbook, in Microsoft Office Excel 97.

4.1.2. Proposal Preparation:

- (a) The original RFP cover page shall be signed by an authorized representative of the Offeror. The original proposal must be clearly marked on the outside of the proposal. All information requested shall be submitted. Failure to submit all information requested may result in the issuing agency requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals which are substantially incomplete or lack key information may be rejected by the issuing agency. Mandatory requirements are those required by law or regulation and are such that they cannot be waived and are not subject to negotiation.

All information requested by this Request for Proposals on the ownership, utilization and planned involvement of small businesses, women-owned businesses and minority-owned businesses must be submitted. If an Offeror fails to submit all information requested, the issuing agency may require prompt submission of missing information after the receipt of vendor proposals.

- (b) Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
- (c) Proposals should be organized in the order in which the requirements are presented in the RFP.
- All pages of the proposal should be numbered.
 - Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, subletter, and repeat the text of the requirement as it appears in the RFP. If a response covers more than one page, the paragraph number and subletter should be repeated at the top of the next page.
 - The proposal should contain a table of contents which cross references the RFP requirements.
 - Information which the Offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material.

Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.

- (d) The original and each copy of the proposal should be bound or contained in a single volume where practical. All documentation, except product literature and marketing brochures, submitted with the proposal should be contained in that single volume. Product literature/brochures should be contained in a single separate volume. Submission of duplicate volumes of product literature and marketing brochures is not desired.
- (e) Ownership of all data, materials and documentation originated and prepared for the State pursuant to the RFP shall belong exclusively to the State and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the Offeror must invoke the protection of Section 11-52-D of the Code of Virginia, in writing, either before or at the time the data or material is submitted.
- The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary.
 - The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information.

The classification of an entire proposal document, line item prices and/or total proposal prices as proprietary or trade secrets is not acceptable and will result in rejection of the proposal.

- 4.1.3. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal and scripted demonstrations of the functionality included in the proposed Solution. This provides an opportunity for the Offeror to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiation.

Offerors selected to participate in oral presentations and scripted demonstrations will be required to provide letters of commitment from each partner and/or subcontractor named in the Offeror's proposal. These letters will be requested at the time oral presentations are scheduled. The letters must be provided prior to or at the time of oral presentations.

The Purchasing Office reserves the right to require Offerors to bring key employees (e.g., designated Project Manager) as well as representatives of proposed partners and/or subcontractors to oral presentations and scripted demonstrations.

The Issuing Agency will schedule the time and location of these presentations. Oral presentations and Solution demonstrations are an option of the Issuing Agency and may or

may not be conducted.

4.2. Specific Proposal Requirements:

Proposals should be as thorough and detailed as possible so that the RFP Evaluation Committee can properly evaluate your capabilities to provide the required goods/services. Offerors are required to submit the following items as a complete proposal:

- 4.2.1. The complete and signed RFP response as itemized in RFP Sections 4.1.1. and 4.1.2.
- 4.2.2. A written narrative statement describing the Offeror's qualifications, capabilities and experience as they relate to its ability to provide the proposed Solution. This response shall include
 - a. information that identifies and describes the Offeror's business;
 - b. the Offeror's business' operating structure;
 - c. the Offeror's business' geographical locations and operating levels including national, regional, and local levels, and parent corporation and/or subsidiary, if any;
 - d. the Offeror's experience performing in the capacity of prime contractor;
 - e. the Offeror's project and contract management infrastructure;
 - f. the Offeror's experience in integrating multiple projects into one cohesive project plan;
 - g. the Offeror's experience (including specific examples) in performing work similar to the prospective project;
 - h. information that describes the Offeror's competency in business model awareness, application integration, trading community management;
- 4.2.3. A complete listing of key personnel, by employer (including proposed subcontractors), to be assigned to performance of the contract. Include:
 - Individual names and resumes including current employer, certifications held, and intended utilization;
 - Evidence of individual knowledge, experience, and proficiency in the area of intended utilization;
 - A personnel plan showing organizational hierarchy; and
 - Estimated time that each individual will be dedicated to the contract.
- 4.2.4. A complete list of the technology partners (including subcontractors) the Offeror plans to utilize in delivering the proposed solution; what each technology partner (including subcontractor) will do/deliver; and how the technology partners (including subcontractors) will be included in the Offeror's organizational hierarchy.
- 4.2.5. An executive summary, including a high-level web map, of the proposed Solution that provides an overview of the proposed functionality; the components (including specific

hardware and software) which will be utilized to deliver the proposed Solution; how those components are integrated with each other; and the underlying technical approach to the proposed Solution.

- 4.2.6. A list of three (3) clients for whom your firm has provided the same or similar services required to deliver the proposed Solution. This list must include the name and location of each client site and identify contact names and telephone numbers.
- 4.2.7. Written narrative responses to the very specific requirements as detailed in Section 3, Statement of Needs, of this RFP. The Offeror must respond in the order shown referencing each paragraph number. Please note the terms “must”, “shall”, “should”, and “may” are used to identify the criticality of the requirements. “Must” and “shall” identify requirements whose absence will have a major negative impact on the suitability of the proposed Solution. Items labeled as “should” are highly desirable, although their absence will not have as large an impact. Items labeled as “may” will be useful but are not necessary. Depending on the overall response to the RFP, some individual “must” and “shall” items may not be fully satisfied, but it is the intent to satisfy most, if not all, “must” and “shall” requirements. The inability of an Offeror to satisfy a “must” or “shall” requirement does not automatically remove that Offeror from consideration; however, it may seriously affect the overall rating of the Offeror’s proposal.
- 4.2.8. A complete description of how the proposed Solution permits workflow management including, but not limited to, on-line approvals, work assignment, work tracking, statistical workload evaluation, and incorporating document imaging management. Discuss how roles, rules, and routing are configured.
- 4.2.9. Describe how the Offeror’s proposed solution employs “Help Desk” or Customer Care support services. Discussion should include the handling of e-mail and telephonic inquiries, information on the physical infrastructure, personnel, and metrics on response accuracy and timeliness.
- 4.2.10. Offeror’s recommendations for achieving COVA Entity, User and vendor buy-in to the proposed solution (marketing strategy).
- 4.2.11. Describe Offeror’s plans which will ensure accurate, clean vendor registration data and prevent duplicate data while allowing for multiple vendor addresses.
- 4.2.12. Information describing any innovative approaches and/or solutions offered by the proposed Solution but not described in the RFP.
- 4.2.13. A full discussion of the proposed Solution’s long-term potential, explaining the features which will:

- (a) help prevent an early obsolescence of the proposed Solution; and
 - (b) extend the proposed Solution's life expectancy in the marketplace;
- 4.2.14. A complete and detailed plan for the training of all users.
- 4.2.15. A specific project work plan and schedule including milestone project tasks, deliverables and timeframes for their completion. Include:
- a. A complete description of the functionality (depth and breadth) to be provided **by February 15, 2001**, the project work plan and schedule for providing this functionality by **February 15, 2001**, and the roles and responsibilities of the Contractor, subcontractors, and COVA in meeting this critical deadline. Include a discussion on the development process to be used to ensure delivery of business functionality in the agreed to timeframe.
 - b. A complete description of the functionality (depth and breadth) to be provided **subsequent to February 15, 2001**, the project work plan and schedule for providing this functionality, and the related roles and responsibilities of the Contractor, subcontractors, and COVA. Include a discussion on the development process to be used to ensure delivery of business functionality in the agreed to timeframe.
- 4.2.16. Any software license agreements, software maintenance agreements, and software technical support agreements which COVA and/or any COVA Entity is expected to execute.
- 4.2.17. Provide a detailed listing of the hardware and software, including browser plug-ins, required for client access to the proposed Solution.
- 4.2.18. Provide technical architecture diagrams that provide a pictorial view of application modules/functions and the platform on which they reside, data architecture including data exchange points for COVA Entity legacy applications, vendor's catalogs, and vendor order processing and data integration among Solution modules. Describe the development tools and languages used in developing application modules. Describe the techniques used in developing application modules. Describe the techniques used to exchange data. Identify network architecture components that are shared among customers and components dedicated to the proposed Solution.
- 4.2.19. Diagram the network architecture including network configuration, network access point(s) to the Internet, note Internet access bandwidth, internal data center network components, monitoring tools, backup hardware and software, and security hardware and software. Describe the web-hosting center including geographic locations, power, HVAC, floor space, user accessibility, physical security, and level of redundancy. Describe platforms supported (hardware, operating systems, database management) and range of services

available (including application management, system integration, benchmarking, high-availability configurations and disaster recovery).

- 4.2.20. Submit an example service level agreement (SLA) including performance standards and how they will be monitored, tools that will allow COVA staff to monitor performance; and suggested penalties/bonuses for failing to meet or for exceeding the performance standards. The SLA should include standards for network performance, systems performance, application performance, service order acknowledgement, customer service response performance, mean-time-to respond, and mean-time-to repair.
- 4.2.21. Describe how the web host site monitors and detects performance and reliability problems. Provide the last 12 month's performance statistics for web host computer center services availability and response times. Describe how performance statistics are captured and the Offeror's program to approach zero-defects service delivery.
- 4.2.22. Describe the Web Host Computer controls, policies and procedures as related to RFP Section 3.5. Provide copies of the web host configuration management plan, security practice policies and procedures, business continuity plan (disaster recovery plan) and the web host's last computer center audit report.
- 4.2.23. Describe how you plan to provide end-to-end trust, reliability, availability, and privacy to e-procurement transactions. Describe how the web site is monitored to detect denial of service attacks and breaches of security. Describe how security levels among the different systems (COVA, The Solution, and vendors) will be harmonized. Provide the web host's computer incident emergency response plan. Provide a template/example of an Offeror developed transaction incident management (TIM) plan.

NOTE: TIM ensures that business transactions enable users, consumers, and vendors to perform business transaction tasks securely and in privacy according to business specifications and service-level agreements. The objectives of TIM are to detect any kind of abnormal incidents in real time and to resolve them rapidly depending on their levels of business criticality.
- 4.2.24. Provide web-hosting center's staffing numbers and expertise by shift and geographic location.
- 4.2.25. Describe the Offeror's system development methodology. Describe how the methodology ensures quality, long-term flexibility, reuse and optimal total cost of ownership. Describe what provisions the methodology has to support opportunistic projects that must focus on low initial costs and quick time to market. Provide an applications development process assessment of certification based on SEI's Capability Maturity Model, ISO900x, ISO15504, Pressman's Process Advisor, or Jones' certification criteria.

4.2.26. Describe your testing methodology. Explain how your methodology achieves these testing goals:

- a. Verifies the Solution meets the business requirements.
- b. Ensures operational reliability.
- c. Ensures quality.

Provide metrics on how your testing program identifies and ensures correction of functional, data and performance errors or omissions through its phases. Describe the tools and methods used to functionally test the Solution. Describe the tools and methods used to stress test the Solution's application, network, and web-host server to ensure response time and reliability guarantees are met. Explain how your quality assurance program ensures complex systems can be implemented with only minor errors and omissions. Describe how your test team organization facilitates tester objectivity and commitment to implementation of a quality product. Describe test team members' expertise and training in quality control/quality assurance processes.

4.2.27. Upgrade and modification management and notification plan that satisfies the requirement set forth in RFP Section 3.5.9.

4.2.28. The Commonwealth recognizes the potential that the Contractor, the Contractor's Partners, and/or the Contractor's and/or the Contractor's Partners' subcontractors and/or employees could submit bids or proposals in response to solicitations that are processed through the Solution and/or could have certain business lines related to COVA Entity procurement such as buying services for vendors. Based on that potential, describe the controls you would put in place to ensure such bid activity and business lines do not result in any impropriety or appearance of impropriety.

4.2.29. Exit, Transition, and Escrow Strategy to be utilized upon expiration, cancellation, or termination of any contract resulting from this RFP.

4.2.30. Annual Financial Report for the most recent accounting period.

4.2.31. Small, Women-owned, and Minority Business Participation. The Offeror must submit the following three sets of data for small business, women-owned business, and minority-owned business: (1) ownership, (2) utilization of small, women-owned, and minority-owned businesses for the most recent 12 months, and (3) planned involvement of small businesses, women-owned businesses, and minority-owned businesses on this procurement. (Offerors are required to use the forms provided at RFP Attachment D for submission of this data.)

4.2.32. Pricing and Revenue

a. General

COVA intends that the Solution be funded using an economic model that enables distribution of costs between COVA Entities, suppliers and other potential Solution-generated revenue streams. As used here, the term “cost” does not refer to the costs that the Contractor must bear. The term “cost” means the costs paid by any COVA Entity, supplier, citizen, other user of the Solution or a third party. Notwithstanding the foregoing, the economic model shall not result in costs that create an undue barrier to participation in the Solution.

Offerors shall respond to this section by presenting each functional component and/or service of the desired Solution using the instructions outlined in RFP Section 4.2.37.b below and in the MS Excel Price and Revenue Workbook provided as RFP Attachment E. If additional functional components and/or services are proposed, the Offeror shall list and provide the cost for each as instructed. If a functional component of the desired Solution will not be provided, the Offeror shall note this in the appropriate schedule.

Offerors are encouraged to be creative and innovative in identifying revenue streams using the instructions outlined in this section. It should be noted that the COVA Department of Treasury is solely responsible for all banking arrangements for COVA and that these type arrangements are not included in this RFP.

Currently, Item 75, paragraph B., of Chapter 1073, 2000 Acts of Assembly, authorizes the provision of a treasury loan to the Department of General Services to assist in financing the Solution. The amount authorized should not be considered the uppermost cost permissible for such a system. In addition, other financing strategies could be used.

b. Instructions

(1) Schedule A – General Instructions

Offerors shall submit cost and revenue information for the proposed Solution using the 5-part format outlined below and included, with detailed instructions, in the MS Excel Workbook provided as RFP Attachment E.

Part I – Cost Worksheet: Using this MS Excel worksheet, the Offeror shall disclose *all* costs to startup and sustain the Solution for 5 years that would be paid by any COVA Entity, vendor, citizen, other user of the Solution or third party. Where costs are dependent on volumes, the Offeror should provide detail on a separate sheet to identify ranges and any price break points. Offerors may submit supporting documents to clarify the costs presented.

Part II – Revenue Streams Worksheet: This worksheet is intended to provide a listing of all potential revenue streams within the Solution using the assumption that the proposed Solution is fully implemented. Examples of revenue streams include advertising, selling data, bid notification, buyer profiles, vendor profiles, vendor registration, etc. It is also intended that Offerors provide clear indication as to which portions of the Solution the revenue streams would apply. Revenue streams should be broken down by anticipated payee (e.g., DGS/DPS, other COVA Entities, vendors, etc.). Where revenue streams are dependent on volumes, the Offeror should provide detail to identify ranges and any price break points. While actual revenue may change over the contract period, this analysis makes the assumption that revenue will not change annually.

Part III – Additional Services Worksheet: This worksheet is intended to provide Offerors a means of addressing the optional services that will be made available to COVA Entities and vendors using the Solution. Offerors should break down each service into cost categories (e.g., different types of programming skill levels for Interface Development services). Where costs are dependent on volumes, Offerors should provide detail to identify ranges and any price break points.

Part IV – Significant Impact On Schedules A & B Worksheet: This worksheet is to be used by the Offeror only if a particular component (s) and/or requirement(s) of the Solution adds significantly to the cost and an alternative can be recommended. For that component or requirement, indicate the cost savings possible by altering it and describe in detail the recommended alternative. Also indicate any effects on revenue streams.

Part V – Economies of Scale Worksheet: This worksheet is to be used by the Offeror to demonstrate where proposed costs and/or fees can be equitably adjusted as the Solution achieves economies of scale.

Part VI – RFP Cross Reference List Worksheet: This worksheet is a list of the RFP references for RFP Sections 3 and 4. The Commonwealth does not guarantee the completeness of this list and it is provided only as a convenience to Offerors and does not absolve Offerors from responsibility to ensure that all sections of the RFP have been addressed in the proposal.

(2) Schedule B – General Instructions

Offerors may submit an additional cost and revenue schedule formatted in a manner that best demonstrates their recommendations for an economic model for the Solution. This schedule should be clearly marked as Schedule B.

(3) Estimated Metrics

The following metrics and estimates are provided only to assist Offerors in preparing Schedules A and B. Proposals should be based on these metrics and estimates. If any additional metrics are used in preparing the Schedules, they should be clearly identified in a separate schedule.

These metrics and estimates are not to be construed as actual volumes or guaranteed levels; the Contractor shall perform the contract at agreed-upon contract prices and fees based on actual usage, regardless of whether such actual usage is more or less than the estimates provided or otherwise indicated in the RFP.

<u>METRIC</u>	<u>ESTIMATE</u>
User Training:	100 employees
IT Support Staff Training:	20 employees
“Train-the-Trainer” Training:	20 employees
# of COVA Entity Buyers:	1,000 buyers
# of COVA Entity Charge Card Users:	1,800 users
# of Registered Vendors:	40,000 vendors
Annual COVA Entity Procurement Total (all types)	\$1 Billion (goods & services)
Annual # of Solicitations:	60,000 solicitations
Annual # of Purchase Orders(non-charge card):	100,000 orders
Annual # of Charge Card Transactions:	250,000 transactions
Annual # of COVA Entity Contracts:	10,000 contracts
Annual # of Statewide Contracts:	1,000 state contracts

5. **EVALUATION AND AWARD CRITERIA:**

5.1. Evaluation Criteria

Proposals will be evaluated using the following criteria:

5.1.1.	Overall Proposal (i.e., Proposed Solution)	25%
5.1.2.	Qualification, Capability, and Experience of the Offeror, the Offeror’s Subcontractors, and Specific Staff Designated for this Contract	20%
5.1.3.	Project Work Plans, Support Plans, Methodologies, Infrastructure, and Services	25%
5.1.4.	Price & Revenue (Economic Model)	20%
5.1.5.	Participation of Small, Women-Owned, and Minority-Owned Businesses	10% =====

100%

5.2. Award of Contract:

Selection shall be made of two or more Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposals, including price, if so stated in the Request for Proposals. Negotiations shall be conducted with the Offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each Offeror so selected, the agency shall select the Offeror which, in its opinion, has made the best proposal, and shall award the contract to that Offeror. The Commonwealth may cancel this Request for Proposals or reject proposals at any time prior to an award, and is not required to furnish a statement of the reason why a particular proposal was not deemed to be the most advantageous. (Section 11-65D, Code of Virginia.) Should the Commonwealth determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that Offeror. The award document will be a contract incorporating by reference all the requirements, terms and conditions of the solicitation and the Contractor's proposal as negotiated.

6. **REPORTING AND DELIVERY REQUIREMENTS**

6.1. The Contractor **shall** deliver all reports to and respond, orally and/or in writing, to all inquiries from the DGS/DPS Contract Administrator or designee. The DGS/DPS Contract Administrator will be identified upon award.

6.1.2. The Contractor **shall** provide a periodic progress report. The specific report schedule will be determined during contract negotiations and prior to award. The progress report shall outline the following:

- (a) The status of all project tasks.
- (b) A summary of any meetings and/or training held during the reporting period.
- (c) An indication of any delays or anticipated delays in meeting target completion dates.
- (d) An explanation of the reasons for any delays or anticipated delays.
- (e) A proposed recommended revision to the delivery, installation, implementation and training schedule.

6.1.3. The Contractor **shall** provide a final project completion report.

6.1.4. The Contractor **shall** periodically provide an updated list of system administrators. (See RFP

Section 3.5, Technical Architecture.)

6.1.5. The Contractor **shall** submit the following reports regarding the utilization of small businesses, women-owned businesses, and minority-owned businesses.

(a) Periodic Progress Reports/Invoices: The Contractor **shall** provide a periodic report on involvement of small businesses, women-owned businesses, and minority-owned businesses. This report will specify the actual dollars contracted to be spent to date with such businesses and actual dollars expended to date with such businesses on this contract. This information shall be provided separately for small businesses, women-owned businesses and minority-owned businesses. The specific reporting schedule will be determined during negotiations and prior to award.

(b) Final Actual Involvement Report: The Contractor **shall** submit, within 10 days of contract completion, a report on the actual dollars spent with small businesses, women-owned businesses and minority-owned businesses during the performance of this contract. At a minimum this report shall include for each firm contracted with and for each such business class (i.e., small, women-owned, minority-owned) a comparison of the total actual dollars spent on this contract with the planned involvement of the firm and business class as specified in the proposal, and the actual percent of the total estimated contract value.

7. OPTIONAL PRE-PROPOSAL CONFERENCE

An optional pre-proposal conference will be conducted at 10:00 a.m. Tuesday, June 27, 2000 at The Renaissance Business and Conference Center, 107 West Broad Street, Richmond, VA 23220. The purpose of this conference is to allow potential Offerors an opportunity to present questions and obtain clarification relative to any facet of this solicitation.

While attendance at this conference will not be a prerequisite to submitting a proposal, Offerors who intend to submit a proposal are encouraged to attend.

Questions to be answered at this pre-proposal conference must be submitted in writing no later than close of business June 22, 2000 (reference RFP Section 9.8). Submission of questions prior to the pre-proposal conference will not preclude questions being asked from the floor. Please submit questions to the purchase officer named on the face of this solicitation by one of the following methods.

By E-Mail To: e-procurement-buyer@dgs.state.va.us
By Fax To: (804) 371-7877, Attention: Rebecca P. Barnett

Telephone inquiries and/or questions will not be accepted.

Bring a copy of the solicitation with you.

Any changes resulting from this conference will be issued in a written addendum to the solicitation.

8. GENERAL TERMS AND CONDITIONS

- 8.1. VENDORS MANUAL: This solicitation is subject to the provisions of the Commonwealth of Virginia Vendors Manual and any revisions thereto, which are hereby incorporated into this contract in their entirety. A copy of the manual is
- 8.1.1. normally available for review at the purchasing office,
 - 8.1.2. can be obtained by calling the Division of Purchases and Supply - (804) 786-3845; and/or
 - 8.1.3. can be downloaded from the Division of Purchases and Supply website at www.dgs.state.va.us/dps (following the prompts in the left column select (1) manuals, then (2) vendors).
- 8.2. APPLICABLE LAWS AND COURTS: This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Contractor shall comply with all applicable federal, state and local laws, rules and regulations.
- 8.3. ANTI-DISCRIMINATION: By submitting their proposals, Offerors certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and Section 11-51 of the Virginia Public Procurement Act.

In every contract over \$10,000 the provisions in 1. and 2. below apply:

- 8.3.1. During the performance of this contract, the Contractor agrees as follows:
- (a) The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, or disabilities, except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause
 - (b) The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.
 - (c) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.

- 8.3.2. The Contractor will include the provisions of 8.3.1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
- 8.4. ETHICS IN PUBLIC CONTRACTING: By submitting their proposals, Offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Bidder, Offeror, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.
- 8.5. IMMIGRATION REFORM AND CONTROL ACT OF 1986: By submitting their proposals, Offerors certify that they do not and will not during the performance of this contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.
- 8.6. DEBARMENT STATUS: By submitting their proposals, Offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting bids or proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.
- 8.7. ANTITRUST: By entering into a contract, the Contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of the action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said contract.
- 8.8. CLARIFICATION OF TERMS: If any prospective Offeror has questions about the specifications or other solicitation documents, the prospective Offeror should contact the buyer whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the buyer.

THE PROVISIONS SET FORTH IN THE ABOVE RFP SECTION 8.8 ARE SUPERCEDED BY THE PROVISIONS SET FORTH IN RFP SECTION 9.8.

8.9. PAYMENT:

8.9.1. To Prime Contractor:

- (a) Invoices for items ordered, delivered and accepted shall be submitted by the Contractor directly to the payment address shown on the purchase order/contract. All

invoices shall show the state contract number and/or purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).

- (b) Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.
- (c) All goods or services provided under this contract or purchase order, that are to be paid for with public funds, shall be billed by the Contractor at the contract price, regardless of which public agency is being billed.
- (d) The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.

8.9.2. To Subcontractors:

- (a) A Contractor awarded a contract under this solicitation is hereby obligated:
 - (1) To pay the subcontractor(s) within seven (7) days of the Contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or
 - (2) To notify the agency and the subcontractor(s), in writing, of the Contractor's intention to withhold payment and the reason.
- (b) To notify the agency and the subcontractor(s), in writing, of the Contractor's intention to withhold payment and the reason.
- (c) The Contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the contract) on all amounts owed by the Contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier Contractor performing under the primary contract. A Contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.

8.10. PRECEDENCE OF TERMS: Paragraphs 8.1 through 8.7 and paragraph 8.9 of these General Terms and Conditions shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

- 8.11. QUALIFICATIONS OF OFFERORS: The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the Offeror to perform the services/furnish the proposed Solution and the Offeror shall furnish to the Commonwealth all such information and data for this purpose as may be requested. The Commonwealth reserves the right to inspect Offeror's physical facilities prior to award to satisfy questions regarding the Offeror's capabilities. The Commonwealth further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such Offeror fails to satisfy the Commonwealth that such Offeror is properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the proposed Solution contemplated therein.
- 8.12. ASSIGNMENT OF CONTRACT: A contract shall not be assignable by the Contractor in whole or in part without the written consent of the Commonwealth.
- 8.13. CHANGES TO THE CONTRACT: Changes can be made to the contract in any of the following ways:
- 8.15.1. The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.
- 8.15.2. The Purchasing Agency may order changes within the general scope of the contract at any time by written notice to the Contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The Contractor shall comply with the notice upon receipt. The Contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Purchasing Agency a credit for any savings. Said compensation shall be determined by one of the following methods:
- (a) By mutual agreement between the parties in writing; or
- (b) By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the Contractor accounts for the number of units of work performed, subject to the Purchasing Agency's right to audit the Contractor's records and/or to determine the correct number of units independently; or
- (c) By ordering the Contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The Contractor shall present the Purchasing Agency with all vouchers and records of expenses incurred and savings realized. The Purchasing Agency shall have the right to audit the records of the Contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price

under this provision must be asserted by written notice to the Purchasing Agency within thirty (30) days from the date of receipt of the written order from the Purchasing Agency. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia Vendors Manual. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the Contractor from promptly complying with the changes ordered by the Purchasing Agency or with the performance of the contract generally.

- 8.14. DEFAULT: In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the Contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Commonwealth may have.
- 8.15. TAXES: Sales to the Commonwealth of Virginia are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request. Deliveries against this contract shall usually be free of Federal excise and transportation taxes. The Commonwealth's excise tax exemption registration number is 54-73-0076K.

9. SPECIAL TERMS AND CONDITIONS

- 9.1. ACCEPTANCE PERIOD: Any proposal submitted in response to this solicitation shall be valid for 120 days. At the end of the 120 days the proposal may be withdrawn at the written request of the Offeror. If the proposal is not withdrawn at that time it remains in effect until an award is made or the solicitation is canceled.
- 9.2. ADDITIONAL INFORMATION: The Commonwealth reserves the right to ask any Offeror to submit information missing from its offer, to clarify its offer, and to submit additional information which the Commonwealth deems desirable.
- 9.3. ADVERTISING: Without prior written permission from the Division of Purchases and Supply, the Contractor shall not state in any of the advertising or product literature that the Commonwealth of Virginia or any agency or institution of the Commonwealth has purchased or uses its products or services.
- 9.4. AUDIT: The Contractor hereby agrees to retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The agency, its authorized agents, and/or State auditors shall have full access to and the right to examine any of said materials during said period.
- 9.5. AVAILABILITY OF FUNDS: It is understood and agreed between the parties herein that the

agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.

- 9.6. BEST AND FINAL OFFER (BAFO): At the conclusion of negotiations, the Offeror(s) may be asked to submit in writing, a best and final offer (BAFO). After the BAFO is submitted, no further negotiations shall be conducted with the Offeror(s). The Offeror(s) proposal will be rescored to combine and include the information contained in the BAFO. The decision to award will be based on the final evaluation including the BAFO.
- 9.7. CANCELLATION OF CONTRACT: The purchasing agency reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 60 days written notice to the Contractor. In the event the initial contract period is for more than 12 months, the resulting contract may be terminated by either party, without penalty, after the initial 12 months of the contract period upon 60 days written notice to the other party. Any contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation. Cancellation of Purchases Orders shall be made in accordance with Section 7-12 of the Vendors Manuals.
- 9.8. CLARIFICATION OF TERMS: (Supersedes RFP Section 8.8). If any prospective Offeror has questions about this RFP, any RFP Attachment, or any other document or standard incorporated by reference, the prospective Offeror shall tender the question in accordance with the following schedule and provisions:

9.8.1. Prior To The Pre-proposal Conference

To ensure the purchasing agency is properly prepared and staffed to respond to questions at the pre-proposal conference, prospective Offerors are requested to submit their questions, in writing, no later than close of business June 22, 2000. These questions shall be faxed or e-mailed to the buyer whose name, fax number, and e-mail address appear on the face of this solicitation. Telephone questions will not be accepted.

9.8.2. After The Pre-proposal Conference And Prior To The Proposal Submission Deadline

After the pre-proposal conference, the deadline for submitting additional questions is close of business June 30, 2000. These questions shall be faxed or e-mailed to the buyer whose name, fax number, and e-mail address appear on the face of this solicitation. Telephone questions will not be accepted.

- 9.9. USER ACCEPTANCE TESTING: The Solution specified in the Contract, and/or any subsequent modifications, upgrades, etc. thereto, shall be considered ready for user acceptance testing upon receipt of documentation from the Contractor that final systems integration testing and stress testing has produced a level of quality demonstrating that the Solution, and/or any subsequent modifications, upgrades, etc., thereto, meets the minimum design/performance capabilities stipulated in the Contract.

The Solution, and/or any subsequent modifications, upgrades, etc., thereto, shall be deemed ready for testing on the next calendar day following receipt of this documentation. During the user acceptance testing period, if the procuring agency determines that the Solution, and/or any subsequent modifications, upgrades, etc., thereto, does not meet the requirements stated in the Contract, the Contractor shall, at no additional charge, correct all deficiencies and/or errors so that the Solution, and/or any subsequent modifications, upgrades, etc., thereto, conforms to the Contract. The procuring agency will provide written confirmation of its acceptance following successful completion of the acceptance testing period. Such acceptance shall not be conclusive of complete conformance in all respects to the contract specifications and other requirements, or the nonexistence of potential latent defects.

Acceptance Testing: To qualify for acceptance, the Solution, and/or any subsequent modifications, upgrades, etc., thereto, must perform in accordance with the technical specifications and functional descriptions contained or referenced in the Contract, at an average effectiveness level of 98% or more, calculated over a period of 168 continuous hours. The Commonwealth shall not pay any charges, either beforehand or retroactively, associated with the Contractor's requirement to achieve this performance level. If the Solution, and/or any subsequent modifications, upgrades, etc., thereto, does not meet the standard of performance during the 168 continuous hour test, the acceptance period may continue on a day to day basis until all technical and functional requirements comprising the Contract concurrently meet the 98% Solution availability level or the Commonwealth will not accept the Contractor's Solution, and/or any subsequent modifications, upgrades, etc., thereto, identified in the Contract and the Contract shall automatically terminate at no cost to the Commonwealth.

Should it be necessary, the Commonwealth may delay the start of acceptance testing but such a delay shall not exceed thirty consecutive days.

9.10. BONDS (Proposal and Performance)

9.10.1. Proposal (Bid) Bonds Or Guarantee

Each proposal shall be accompanied by a proposal (bid) bond or guarantee in the amount of \$150,000, which shall be a certified check, cash escrow or a proposal (bid) bond payable to the Treasurer of the Commonwealth of Virginia. The sureties of all bonds shall be of such surety company or companies as are approved by the State and are authorized to transact business in the Commonwealth of Virginia. Such proposal (bid) bond or check shall be submitted with the understanding that it shall guarantee that the Offeror will not withdraw its proposal during the period of 120 days following the opening of proposals; that if such proposal is accepted, as negotiated, the Offeror will accept and perform under the terms of the Request for Proposals, the Offeror's proposal as negotiated, and purchase order or contract. The proposal (bid) guarantee will be returned upon award of contract.

9.10.2. Performance and Payment Bonds

The successful Offeror shall deliver to the purchasing office an executed Commonwealth of Virginia Standard Performance and Labor and Material Payment Bonds, each in the sum of the contract amount, with the Commonwealth of Virginia as obligee. The surety shall be a surety company or companies approved by the State Corporation Commission to transact business in the Commonwealth of Virginia. No payment shall be due and payable to the Contractor, even if the contract has been performed in whole or in part, until the bonds have been delivered to and approved by the purchasing office. Standard bond forms will be provided by the purchasing office prior to or at the time of award.

- 9.11. CONFIDENTIALITY: The Commonwealth agrees that neither it nor its employees, representatives, or agents shall knowingly divulge any proprietary information with respect to the operation of the software, the technology embodied therein, or any other trade secret or proprietary information related thereto, except as specifically authorized by the Contractor in writing or as required by the Freedom of Information Act or similar law. It shall be the Contractor's responsibility to fully comply with Section 11-52 D. of the Code of Virginia. All trade secret or proprietary information must be identified in writing or other tangible form and conspicuously labeled as "proprietary" either prior to or at the time of submission to the Commonwealth.
- 9.12. DRUG FREE WORKPLACE: The Contractor acknowledges and certifies that it understands that the following acts by the Contractor, its employees, and/or agents performing services on state property are prohibited:
- 9.12.1. The unlawful manufacture, distribution, dispensing, possession or use of alcohol or other drugs; and
- 9.12.2. Any impairment or incapacitation from the use of alcohol or other drugs (except the use of drugs for legitimate medical purposes).

The Contractor further acknowledges and certifies that it understands that a violation of these prohibitions constitutes a breach of contract and may result in default action being taken by the Commonwealth in addition to any criminal penalties that may result from such conduct.

- 9.13. EXCESSIVE PERFORMANCE FAILURES: The Solution furnished under the contract shall be capable of continuous operation. Should the Solution fail to meet the performance standards outlined in the annual Service Level Agreement, the Contractor agrees to remit penalties as defined in the annual service level agreement. Inoperability and performance statistics shall be accumulated by the Contractor using automated tracking tools. Access to the reports and raw tracking data shall be available to COVA administrators 24x7. In the event the the Solution fails to meet service levels for more than five (5) consecutive calendar days, the Contractor shall promptly replace equipment, improve the application or increase bandwidth at no charge upon request of the procuring agency. Such replacements, modifications, or additions shall be installed and operational within one (1) day following the request.

- 9.14. FIELD MODIFICATIONS AND/OR ENGINEERING CHANGES: During the term of the Contract, the Contractor agrees to ensure modifications and or engineering changes conform to the provisions of a mutually agreed to configuration/change management plan. There shall be no charge to the Commonwealth for any such modification and/or engineering change. Such changes shall be made at times which will not impact the user’s business operations.

- 9.15. FUTURE EVOLUTION AND NEW DEVELOPMENT OF SERVICES: It is the intent of this Contract to allow the inclusion of new services (products, functionality, etc.) as they are developed and tested by the industry. Should new equipment, products, functionality, etc., be developed that would precipitate new Services (products, functionality, etc.) being available to the Commonwealth, then at the Commonwealth’s sole discretion, these new services (products, functionality, etc.) may be added to the Contract via a Modification mutually agreed upon by both parties.

- 9.16. IDENTIFICATION OF PROPOSAL ENVELOPE: If a special envelope is not furnished, or if return in the special envelope is not possible, the signed proposal should be returned in a separate envelope or package, sealed and identified as follows:

<p>From: _____ Name of Offeror</p> <p>_____</p> <p>Street Address or P.O. Box No.</p> <p>_____</p> <p>City, State, Zip Code</p> <p>RFP Number: _____</p> <p>Due Date/Time: _____</p> <p>Name Of Contract Officer: _____</p>	<p>DEPARTMENT OF GENERAL SERVICES DIVISION OF PURCHASES AND SUPPLY ATTN: BID TABULATION – 3RD FLOOR 805 EAST BROAD STREET P.O. BOX 1199 RICHMOND, VA 23218-1199</p>
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The envelope should be addressed as directed on Page 1 of the solicitation.

Hand-deliver response to:
805 East Broad Street – 3rd Floor
Richmond, VA 23219

Mail response to:
P.O. Box 1199
Richmond, VA 23218-1199

If a proposal not contained in the special envelope is mailed, the Offeror takes the risk that the envelope, even if marked as described above, may be inadvertently opened and the information compromised which may cause the proposal to be disqualified. Proposals may be hand delivered to the designated location in the office issuing the solicitation. No other correspondence or other proposals should be placed in the envelope.

- 9.17. INDEMNIFICATION: Contractor agrees to indemnify, defend and hold harmless the Commonwealth of Virginia, its officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from or caused by the use of any materials, goods, or equipment of any kind or nature furnished by the Contractor/any services of any kind or nature furnished by the Contractor, provided that such liability is not attributable to the sole negligence of the using agency or to failure of the using agency to use the materials, goods, or equipment in the manner already and permanently described by the Contractor on the materials, goods or equipment delivered.
- 9.18. INSURANCE: By signing and submitting a proposal under this solicitation, the Offeror certifies that if awarded the contract, it will have the following insurance coverages at the time the contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with Sections 11-46.3 and 65-800 et seq. of the *Code of Virginia*.

The Offeror further certifies that the Contractor and any subcontractors will maintain these insurance coverages during the entire term of the contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

INSURANCE COVERAGES AND LIMITS REQUIRED:

- (a) Worker's Compensation - Statutory requirements and benefits.
- (b) Employers Liability - \$100,000.
- (c) General Liability: The Commonwealth of Virginia is to be named as an additional insured with respect to the services being procured. This coverage is to include Premises/Operations Liability, Products and Completed Operations Coverage, Independent Contractor's Liability, Owner's and Contractor's Protective Liability, Personal Injury Liability, and Property Liability. Contractor shall maintain such insurance as necessary to protect itself from claims arising out of the performance of this Contract. Contractor shall indemnify and hold harmless the Commonwealth, its officers, agents and employees from any and all claims, suits, actions, liabilities and costs of any kind, including attorneys fees, for personal injury and damage to real or personal property arising from the wrongful acts or omissions of the Contractor, its agents, officers, employees and/or sub-contractors.

(d) Automobile Liability - \$500,000.

9.19. NONVISUAL ACCESS TO TECHNOLOGY: All information technology which, pursuant to this Agreement, is purchased or upgraded by or for the use of any State agency or institution or political subdivision of the Commonwealth (the "Technology") shall comply with the following nonvisual access standards from the date of purchase or upgrade until the expiration of this Agreement.

- (a) Effective, interactive control and use of the Technology shall be readily achievable by nonvisual means;
- (b) The Technology equipped for nonvisual access shall be compatible with information technology used by other individuals with whom any blind or visually impaired user of the Technology interacts;
- (c) Nonvisual access technology shall be integrated into any networks used to share communications among employees, program participants or the public; and
- (d) The technology for nonvisual access shall have the capability of providing equivalent access by nonvisual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.

Compliance with the foregoing nonvisual access standards shall not be required if the head of the using agency, institution or political subdivision determines that (i) the Technology is not available with nonvisual access because the essential elements of the Technology are visual and (ii) nonvisual equivalence is not available.

Installation of hardware, software, or peripheral devices used for nonvisual access is not required when the Technology is being used exclusively by individuals who are not blind or visually impaired, but applications programs and underlying operating systems (including the format of the data) used for the manipulation and presentation of information shall permit the installation and effective use of nonvisual access software and peripheral devices.

If requested, the Contractor must provide a detailed explanation of how compliance with the foregoing nonvisual access standards is achieved and a validation of concept demonstration.

The requirements of this Paragraph shall be construed to achieve full compliance with the Information Technology Access Act, § 2.1-807 through 2.1-811 of the Code of Virginia.

9.20. OWNERSHIP OF INTELLECTUAL PROPERTY: All copyright and patent rights to all papers, reports, forms, materials, creations, or inventions created or developed in the performance of this contract shall become the sole property of the Commonwealth. On request, the Contractor shall promptly provide an acknowledgment or assignment in a tangible form satisfactory to the

Commonwealth to evidence the Commonwealth's sole ownership of specifically identified intellectual property created or developed in the performance of the contract.

- 9.21. **PRIME CONTRACTOR RESPONSIBILITIES**: The Contractor shall be responsible for completely supervising and directing the work under this contract and all subcontractors that he may utilize, using his best skill and attention. Subcontractors who perform work under this contract shall be responsible to the prime Contractor. The Contractor agrees that he is as fully responsible for the acts and omissions of his subcontractors and of persons employed by them as he is for the acts and omissions of his own employees.
- 9.22. **PRODUCT SUBSTITUTIONS**: During the term of any contract resulting from this solicitation, the Contractor is not authorized to substitute any item for the product(s) identified in the Contract without the prior written consent of the Contracting Officer whose name appears on the front of this solicitation, or their designee.
- 9.23. **PROPRIETARY INFORMATION, DUPLICATION AND DISCLOSURE**: The Contractor agrees that by virtue of performing the Contract it (the Contractor) will have access to information proprietary to the Commonwealth of Virginia, its vendors, and contractors and that disclosure of such information could cause irreparable damage to the Commonwealth and its citizens. Therefore, Contractor agrees to hold all information disclosed through performance of this Agreement in strict confidence as required by this Section and to use such information only in performance of this Contract. No information provided by or to the Commonwealth shall be duplicated or furnished to others without the prior written consent of the Commonwealth of Virginia, Department of General Services, Division of Purchases and Supply (DPS).

Contractor acknowledges that in the course of performing services hereunder its personnel and sub-contractors (if any) will have access to confidential information about the Commonwealth's business, operations, employees, customers, and vendors. Contractor agrees that, except as directed by DPS, the Contractor, its employees, and its sub-contractors shall not at any time during or after the term of this Contract (a) disclose any Confidential Information to any third party, (b) permit any third party to examine and/or make copies of any reports, documents or electronic data containing Confidential Information (whether they are prepared by Contractor or come into Contractor's possession or Contractor's control by reason of Contractor's services) or (c) use any Confidential Information for any reason other than in the performance of services hereunder. Upon termination or expiration of this Contract, Contractor shall return to the Commonwealth or at the Commonwealth's request destroy all reports, documents, electronic data and other matter in Contractor's possession or under Contractor's control that contain or relate to Confidential Information. Contractor may disclose Confidential Information to such of its personnel as have a need therefor in the performance of their duties for the Commonwealth, provided, however, that Contractor shall inform all such personnel of their confidentiality obligations hereunder and shall use its absolute best efforts to ensure their compliance therewith. Contractor shall not be required to treat as confidential any information which:

- (a) Contractor can demonstrate was in its possession prior to execution of this Contract;

- (b) Has become generally available in the public domain without breach of this Agreement; and/or
- (c) Becomes lawfully available to Contractor from a source other than the Commonwealth.

ANY RELEASE OF PROPRIETARY OR CONFIDENTIAL INFORMATION BY THE CONTRACTOR OR CONTRACTOR'S EMPLOYEES AND/OR SUBCONTRACTORS SHALL BE CONSIDERED A BREACH OF THIS CONTRACT. THE CONTRACTOR SHALL NOT USE THE CONFIDENTIAL INFORMATION OF THE COMMONWEALTH FOR ITS OWN BENEFIT OR FOR THE BENEFIT OF ANY THIRD PARTY. THE PROVISIONS OF THIS SECTION SHALL CONTINUE IN PERPETUITY AND SURVIVE ANY TERMINATION OR EXPIRATION OF THIS AGREEMENT.

- 9.24. RETURN OF ASSETS: Except as otherwise provided in the Contract, or upon termination of the Contract, the Contractor shall return all Commonwealth-owned assets including, but not limited to, stored data and information.
- 9.25. SERVICE PERIOD (ROUTINE): At a minimum, the Contractor shall provide toll free telephone support Monday through Friday, 8:00 a.m. to 5:00 p.m. (EST), excluding state holidays, with a two (2) hour return call response time.
- 9.26. SUBCONTRACTS: In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the purchasing agency the names, qualifications and experience of its proposed subcontractors. No portion of the work shall be subcontracted without prior written consent of the purchasing agency. The Contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the contract.
- 9.27. APPROVAL OF CONTRACTOR/SUBCONTRACTOR PERSONNEL: Personnel commitments identified in the Contractor's proposal shall be considered mandatory to the work performed under the resulting contract. Staffing must include those individuals proposed. With the exception of death or the removal of personnel who have permanently terminated employment or who become unavailable due to an extended illness, no changes to personnel will be made by the Contractor or the Contractor's Subcontractors without prior written consent of the Purchasing Agency. Replacement of any personnel, if approved, shall be with personnel of equal ability, experience and qualifications.

The Contractor's key personnel shall not be diverted from the project without prior written consent of the Purchasing Agency. Key personnel are those individuals who are determined by the Purchasing agency to be central to the management of the project and the development/implementation of the Solution. Changes or diversion of Contractor key personnel without prior written consent of the Purchasing Agency will be sufficient grounds for termination of the contract for default.

If personnel are lost because of death, termination or extended illness, the Contractor will replace them within ten (10) working days, including pre-approval of the replacement. The Purchasing Agency may approve up to a ten (10) working day extension for replacement of these personnel if the

Contractor submits a written request for an extension of time. The Contractor shall include in the required status reports its efforts and progress in finding replacements and the effect of the absence on the progress of the project. In addition, the Contractor shall make interim arrangements to assure that the project's progress is not adversely affected by the loss of the personnel.

- 9.28. TERM OF CONTRACT: Provided the Contract has been properly executed by the Contractor, it shall become effective on the date it is executed by the Commonwealth, and shall continue for a period of five (5) years unless (a) otherwise mutually agreed prior to award and/or (b) sooner terminated as provided in the Contract. Upon expiration of the initial Contract term, the Contract may be renewed for five (5) additional two (2) year periods, at the Commonwealth's sole discretion. Should the Commonwealth choose to renew the Contract, a written notice will be sent to the Contractor approximately 120 days prior to the end of the then-current term. Price increases/decreases may be negotiated only at the time of renewal or as otherwise agreed prior to contract award. The Contract shall continue after the expiration date only for the functional activities initiated by the Commonwealth prior to the expiration date.
- 9.29. THIRD PARTY ACQUISITION OF SOFTWARE: The Contractor shall notify the procuring agency in writing should the intellectual property, associated business, or all of its assets be acquired by a third party. The Contractor further agrees that the contract's terms and conditions, including any and all license rights and related services, shall not be affected by the acquisition. Prior to completion of the acquisition, the Contractor shall obtain, for the Commonwealth's benefit and deliver thereto, the assignee's agreement to fully honor the terms of the contract.
- 9.30. TITLE TO SOFTWARE: By submitting a proposal, the Offeror represents and warrants that it is the sole owner of the software or, if not the owner, that it has received all legally required authorizations from the owner to license the software, has the full power to grant the rights required by this solicitation, and that neither the software nor its use in accordance with the contract will violate or infringe upon any patent, copyright, trade secret, or any other property rights of another person or organization.
- 9.31. PATENT AND COPYRIGHT INDEMNITY: The Contractor will indemnify and defend the Commonwealth of Virginia against any claims that the Solution infringes any patent or copyright; provided that the Contractor is given prompt notice of such claim and is given information, reasonable assistance, and sole authority to defend or settle the claim. In the defense or settlement of the claim, the Contractor shall, in its reasonable judgement and at its option and expense; (a) obtain for the Purchasing Agency the right to continue using the Solution; (b) replace or modify the Solution so that it becomes non-infringing while giving equivalent performance; or (c) if the Contractor cannot obtain the remedies in (a) or (b) above as its sole obligation, terminate the license for the infringing Software and upon receipt of the infringing Software, return the license fees and all software maintenance fees paid by the Purchasing Agency for such Software, prorated over a five year term from the contract award date. The Contractor will have no liability to indemnify or defend the Commonwealth of Virginia to the extent the alleged infringement is based on: (a) a modification of the Software by anyone other than the Contractor, or (b) use of the Software other than in accordance with the Documentation.

9.32. YEAR 2000 COMPLIANT (AND ENABLED) WARRANTY: The Contractor warrants that all software, firmware and hardware product(s) delivered to the Commonwealth of Virginia under any Agreement, and which is used in accordance with the product documentation provided by the Contractor, shall be Year 2000 compliant (and enabled). All products shall accurately process all date-change data from start to finish, including, but not limited to, twentieth, twenty-first centuries and leap year calculations.

Any product provided under this Agreement discovered not to be compliant after acceptance shall be corrected by the Contractor at no additional cost to the Commonwealth. Failure to correct the deficiency shall subject the Contractor to default action.

10. ATTACHMENTS:

Copies of the below-listed RFP Attachments can be downloaded from the DPS E-Procurement Solution website (www.dgs.state.va.us/dps/e-pro-rfp).

- A. WORK BREAKDOWN STRUCTURE
- B. PROCESS AND DOCUMENT WORKFLOW CONCEPT
- C. OFFEROR'S DATA SHEET
- D. SUBMISSION FORMS: PARTICIPATION IN STATE PROCUREMENT TRANSACTION BY SMALL BUSINESSES AND BUSINESSES OWNED BY WOMEN AND MINORITIES
- E. PRICE AND REVENUE MS EXCEL WORKBOOK (MS Excel)

11. REFERENCE MATERIALS AND RELATED INFORMATION

As a courtesy to potential Offerors, the purchasing office has made the following reference materials and related information available on (or in some cases via a link on) the DPS E-Procurement Solution website (www.dgs.state.va.us/dps/e-pro-rfp).

- A. COVA Agency Procurement and Surplus Property Manual (APSPM)
- B. COVA Vendors Manual
- C. Links to COVA Entity Procurement Websites
- D. The Governor's Executive Order 65, Issued May 24, 2000
- E. The Virginia Public Procurement Act

F. Uniform Electronic Transaction Act (UETA) As Modified And Enacted By COVA