

STATE OF HAWAII  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
OFFICE OF ENTERPRISE TECHNOLOGY SERVICES  
HONOLULU, HAWAII

January 12, 2021

AMENDMENT 5  
TO  
REQUEST FOR PROPOSALS  
NO. RFP-ERP-2020

SEALED PROPOSALS TO PROVIDE AN ENTERPRISE FINANCIAL SOLUTION, DEPARTMENT OF ACCOUNTING  
AND GENERAL SERVICES, STATE OF HAWAII

I. The following changes are made to the RFP; changes are underlined for ease of reference:

**Change 1: RFP Page 33, Section 3.7**

From:

**3.7 Offeror Teams**

Two vendors may elect to act jointly to provide the EFS. If so, they shall submit a single Proposal and designate one vendor as the prime Offeror and the other as its subcontractor.

A single vendor shall not be a prime Offeror on one Proposal and a subcontractor on another Proposal.

To:

**3.7 Offeror Teams**

Multiple vendors may elect to act jointly to provide the EFS. If so, they shall submit a single Proposal and designate one vendor as the prime Offeror and the other(s) as its subcontractor(s).

A single vendor shall not be a prime Offeror on one Proposal and a subcontractor on another Proposal.

**Change 2: Appendix C “Technical Requirements”, Solution Architecture, Requirement ID# 12**

From:

The system shall provide access to system functionality through, at least, the top three (3) web browsers.

To:

The system shall provide access to system functionality through, at least, the top four (4) web browsers.

**Change 3: RFP Page 50, Evaluation Criteria 4: Business Solution – Technical Requirements**

From:

The Business Solution – Technical Requirements will be evaluated and scored at a maximum of 150 points. Offeror shall submit a narrative of a maximum of twenty (20) pages explaining its approach.

To:

The Business Solution – Technical Requirements will be evaluated and scored at a maximum of 150 points. Offeror shall submit a narrative of a maximum of forty (40) pages explaining its approach.

**Change 4: Appendix K “Proposed Project Organization and Staffing”, Page 6, Section 2.3**

From:

**2.3 Offeror Employees**

As noted in Exhibit 1, Offeror Response Form, Section 5.4.5, Staff Resumes the names and resumes of all key personnel working directly for the Offeror and who will be assigned to this project must be submitted in the Offer as Attachment 4, Offeror’s) Staff Resumes. All key personnel for whom resumes are submitted must be employed by the Offeror before the Notice to Proceed date as defined in RFP Section 1.3, Schedule and Significant Dates.

To:

**2.3 Offeror Employees**

As noted in Exhibit 1, Offeror Response Form, Section 5.4.5, Staff Resumes the names and resumes of all key personnel working directly for the Offeror or identified subcontractors and who will be assigned to this project must be submitted in the Offer as Attachment 4, Offeror’s) Staff Resumes. All key personnel for whom resumes are submitted must be employed by the Offeror or identified subcontractors before the Notice to Proceed date as defined in RFP Section 1.3, Schedule and Significant Dates.

**Change 5: Appendix A-2 "Expansion Phase Requirements", Page 33, Requirement Number 7**

From:

The system shall provide the ability to amortize bond issuance cost, deferred gain/loss on bond refunding, bond premiums and discounts and easily adjust, if applicable, for defeasements.

To:

The system shall provide the ability to expense bond issuance cost and amortize deferred gain/loss on bond refunding, bond premiums and discounts, bond insurance costs and easily adjust, if applicable, for defeasements.

**II. The following additional information is provided as answers to questions submitted by potential offerors by the State's December 29, 2020 4pm HST deadline:**

1. Would the State be able to provide a searchable pdf document for RFP\_ERP\_2020\_An Enterprise Financial Solution\_FINAL.pdf?  
**We are providing another searchable copy in the Attachments section.**
2. Ref: RFP p. 42 - Sect 4.1.10 Enhanced End-User Training Objective, "The enhanced training program shall provide the ability for the State to effectively and efficiently train and provide support tools for end users at multiple locations located on each of the Islands of Hawaii."  
Question: How many locations and how many users per each location will selected Offeror need to provide training to?  
**Vendors are encouraged to propose a solution that would ensure training is executed virtually in addition to traditional in-person methods to accommodate Hawaii's diverse geographic landscape.**
3. Ref: Appx C Technical Requirements, 4 Technical Architecture- Item 31, 2nd sentence: "Must have the ability to support two-factor authentication with biometric, phone, simple messaging service (SMS), and smart card support required." Question: System must have the ability to support two-factor authentication with biometric support required. Is there any specific biometric recognition that you are expecting to be included? - Voice - Fingerprint - Retinal scan/iris recognition - Face Recognition  
**The requirement refers to supporting biometrics if Single Sign On (SSO) isn't available. As an example, secure non-SSO authentication into the system via mobile devices would require biometrics such as Face ID and Touch ID.**
4. Ref: Appx C Technical Requirements, 4 Technical Architecture- Item 65 "The system shall provide mobile device form factor functionality". Question: "The system will provide mobile device form factor functionality". Assuming that the TO-BE system should be responsive for mobile-support, no development for a native mobile app is in scope. Please confirm?

A browser-based responsive mobile web application satisfies the requirement, but the requirement does not exclude native apps.

5. Ref: Appx C Technical Requirements, 5 Solution Architecture- Item 12 "The system shall provide access to system functionality through, at least, the top three (3) web browsers." Question: System is required to support at least 3 top web browsers. If possible, please provide the list of Must-Have browsers (ex: IE, Chrome, Firefox, Safari,) See Section I, Change 2 of this Amendment 5. At minimum, Chrome, Firefox, Safari and Edge must be supported.
6. Ref: Appx I Number of end users, Page 1 - Sect 1.0 Current Number of End Users for Existing Systems "Current Number of End Users" table. Question: Even though the Appendix I has provided the estimated number of CCU for existing systems, please provide approx. the number of concurrent users that the to-be system should be scalable and adaptable to meet. Please clarify what the concurrent user count applies to and if there's a separate licensing fee structure that applies here?
7. Ref: Appx C Technical Requirements, 5 Solution Architecture- Item 3 "The system shall provide the ability for maintaining a consistent throughput with increased transaction volume and data growth." Question: 1) Please provide volume and data growth that is expected to be maintained in the to-be system? 2) What are your data migration requirements? This requirement relates to the overall data scalability characteristics of the system and cannot be translated to specific measures. This requirement relates to in-production continuous scalability of the system and does not related to initial data migration.
8. Appendix E 2.2.3.2 Content says: Review the State's incident and problem management policies, procedures and standards; propose changes to meet the State requirements and organization. Question: Where do I find these policies, procedures and standards? Are they included in the response somewhere or in the library? Appendix E, 2.2.3.1 is a requirement for the Offeror to propose incident and problem management policies and standards. Offerors may mark in their response if they can meet that requirement with a "Yes" or "No" in the table presented.
9. Q2: Appendix E 2.2.5.2 Content says: Develop procedures for performing RCA that meet requirements and adhere to defined policies. Question: what defined policies? Are these predefined or will they be defined as part of the services initiation. Appendix E, 2.2.5.1 is a requirement for the Offeror to provide RCA policies, procedures and standards. Offerors may mark in their response if they can meet that requirement with a "Yes" or "No" in the table presented.
10. Q3: Appendix E 2.2.8.3 Content says: Regularly review backup and recovery procedures to demonstrate recoverability. Verify that actual practices are in concert with State business requirements and procedures and report the results. Question: Are the Status business requirements and procedures documented or are these as defined in the scope of the RFP.

State of Hawaii is requesting a recommendation and best practice in this regard as the current business requirements and procedures may not yet align with the modern systems, nor industry guidelines.

11. Q4: Appendix E 2.2.8.17 Content Says: Monitor and demonstrate compliance with the State’s retention and storage requirements. Question: What are the State retention and storage requirements?

The State of Hawaii has a Record Retention and Disposition Schedule managed by the Hawaii State Archives. Please see: <https://ags.hawaii.gov/archives/about-us/records-management/records-retention-and-disposition-schedules/>. Records relevant to the FMS are found within the record schedule for these Agencies:

- Department of Accounting and General Services
- Department of Budget and Finance

12. Q5: 2.2.8.28 Content: Perform restores of test systems in accordance with State approved policies and procedures. Question: What are the policies?

Appendix E, 2.2.8.1 is a requirement for the Offeror to recommend techniques and procedures to ensure disk storage resources are utilized in an efficient and cost-effective manner, as well as meeting business requirements. Offerors may mark in their response if they can meet that requirement with a “Yes” or “No” in the table presented.

13. Q6: Attachment Form OF-1 Section 2a2b Question: Will you be following up with the references provided with a phone call?

Yes.

14. Q7: Appendix C – Technical Requirements Question: In Appendix C – Technical Requirements, what does response “G” represent as a response column in the requirements tabs? It is not clearly stated in the Instructions tab as outlined below: “Please respond to each and every requirement (even ones that appear redundant) as follows: 1. Indicate your response to each line item with an “X” in the appropriate “One Response per Requirement” column, according to the following labels and definitions: Y = Yes, we meet this requirement out-of-the-box or with configuration capabilities provided within the software. C = We can meet this requirement via customization/extension-- i.e., for a SaaS solution, the functionality would be provided by building an extension using platform as a service (PaaS) capabilities provided either by the vendor or a third party. (If this column is indicated, please provide an indication of High, Medium, or Low development complexity in the “Customization Complexity” column. Costs of all extensions/customizations by process/functional area should also be noted separately in your Pricing Response.) 3 = We can meet this requirement by partnering with another third-party solution. (If this column is indicated, please provide the name of the third-party product in the “Comments” column.) F = We can meet this requirement with a future release of our software. (If this column is indicated, please provide the version and timing of the release in the “Comments” column.) N = No, we cannot meet this requirement.”

A response in Column “G”, corresponds to an Offeror’s selection “F”.

D	E	F	G	H
One Response per Requirement (Offeror Use Only)				
Y	C	3	F	N

Per the instructions, that selection would indicate to the State of Hawaii that the Offer can “meet this requirement with a future release of our software.” Note that making the selection “F” would require comments also as per the instructions, “If this column is indicated, please provide the version and timing of the release in the ‘Comments’ column.”

15. Q8: Appendix E 2.2.1.5. Content: Set up and manage end-user accounts, perform access control, manage files and disk space (for in scope operating system (OS) and system software) in accordance with the State requirements. Question: Is end user management included in the scope of services?

Offerors are to indicate if they can provide User Account Management Services called for in section 2.2.6 of Appendix E. Offerors may mark in their response if they can meet that requirement with a “Yes” or “No” in the table presented.

16. Q9: 2.2.6.1 Content: Manage and perform EFS User Account (UA) maintenance, including: • New UAs • UA refresh • UA copy (e.g. complete UA copy) • Cross-instance UA copy • UA deletion Question: Is end user management included in the scope of services?

Offerors are to indicate if they can provide User Account Management Services called for in section 2.2.6 of Appendix E. Offerors may mark in their response if they can meet that requirement with a “Yes” or “No” in the table presented.

17. Q10: Appendix E 2.2.2.17 Content: Monitor, identify and report EFS problems and availability from the perspective of the end user. Question: Is end user management included in the scope of services?

Offerors are to indicate if they can provide User Account Management Services called for in section 2.2.6 of Appendix E. Offerors may mark in their response if they can meet that requirement with a “Yes” or “No” in the table presented.

18. Q11: Appendix E 2.2.7.19 Content: Perform prompt removal of end users when access is no longer required. Question: Is end user management included in the scope of services?

Offerors are to indicate if they can provide User Account Management Services called for in section 2.2.6 of Appendix E. Offerors may mark in their response if they can meet that requirement with a “Yes” or “No” in the table presented.

19. Q12: Appendix E 2.2.7.25 Content: Provide content monitoring and filtering, or data loss prevention inappropriate for data flows. Question: Can you describe more of what you are referring to?  
Offeror to indicate whether proposed solution contains ability to monitor, detect and prevent potential data breaches and data ex-filtration transmissions – in use, in motion, and at rest. Related to security features, a proposed system will be evaluated based on its ability to respond to necessary security threats in a timely fashion with a high level of deployment automation.
20. Q13: Appendix C, tab 4 24 Content: The system shall provide DevOps-style automation of deployments to all environments. Question: Can you describe the devops automation that you are trying to achieve.  
This requirement refers to Continuous Deployment (CD) and expresses a preference for fully automated migration of any solution changes to various environments such as Development, Testing, UAT, and Production - be they enhancements and customizations or even configuration changes. It is important for the state to not be wasting time or money with largely manual software system deployments.
21. Q14: Appendix C, tab 4 22 Content: The system shall provide the version control and the ability to roll back version changes. Question: Do you have a version control management system currently used at the State or are you looking for recommendation?  
The approach to version control will depend on the nature of the solution system technology architecture. If an external version control system is applicable for the system being proposed, git is preferred.
22. Question: Does the requirement still exist for implementation providers/consultants to be on island at or near customer site?  
Per section 4.1.15 of the RFP, “Continuity of Contractor Personnel Objective”: *The Contractor will maintain a Project Team Facility sufficient to provide and support the applicable Services located not more than two (2) miles from the Hawaii State Capitol building that meets the requirements set forth in Appendix E, Ongoing Services Requirements and provides staffing on Oahu with personnel meeting the requirements regarding skill level and continuity of technical, administrative, and management employees set forth in Appendix K, Proposed Project Organization and Staffing. The State has limited space availability for the project team within its own facilities. The Contractor shall make available management personnel and senior executives from the U.S. mainland (including with visits to Oahu) to its project team for meetings during Hawaii Standard Time Zone standard business hours in accordance with Exhibit 3, Relationship Management. Offerors are encouraged to propose using targeted local resources in different stages of the project to optimize productivity for key milestones/deliverables, throughout the duration of the contract.*
23. Question: Are there residency requirements for remote developers and programmers?

There is no residency requirement for the Offeror's personnel.

24. Q17: Appendix C, tab 6 Solution Technology, row 15 -41 Question: Do you have a current data warehouse solution or are you looking for recommendations?

The State is seeking a data warehouse. Please refer to Appendix A-1, tab 10, "Data Warehouse" for specific functional requirements in addition to the requirements in Appendix C referenced in this question.

25. Q18: Appendix C Tab 6 solution technology Question: Do you have a state document management system that you want to use, or do you want a recommendation?

There is no preference for a document management solution, and it may be either fully integral part of the of the system being proposed or an integration with a separate document management system. The document management integration will be evaluated for its overall fit in the context of the proposed system.

26. Q19: Appendix A GL tab # 121 Content: "Supports consolidations across legal entities with dissimilar charts of accounts" Question: What is meant by "dissimilar chart of accounts" Does this simply refer to dissimilar listing of GL accounts or a dissimilar Ledger Chartfield structure?

The existing environment includes both dissimilar GL accounts and dissimilar chart structures. The primary system, FAMIS, is only standardized at the major source/object code level, while the minor source/object code level is maintained by the user agency. This allowed larger, complex agencies to develop their own chart structures to accommodate their requirements.

In 2014, the State began an effort to develop a Uniform Chart of Accounts (UCOA) to standardize the GL accounts and chart structures across the participating agencies. The State intends to implement the UCOA in the new financial system.

Alongside this, the State is also developing a Uniform Financial Framework (UFF) which provides the framework for larger, complex agencies to build upon the State's system while maintaining the integrity and potential for integration between the State and the large, complex agencies. To clarify, although all large and complex agencies are a part of the State, a few maintain their own financial systems and will interface financial data into the new "State" system.

The State is looking for the Offeror to provide expertise on best practices from similar implementations completed.

27. Q20: Appendix A GL tab # 188-202 Content: "GL code structure must accommodate the

following elements:" • Fund • Budget Fiscal Year • Appropriation • Organization ID • Organization Code • Program ID • Program Code • Grant Number • Project Number • Character • Object • Sub Object • General Ledger Account • Other Question: Is this the Chartfield

Structure that is required for GL? How does this relate to the SOH UCOA document from the library as it seems the two do not align exactly.

The Chartfield structure presented is the current structure utilized in the State's primary system, FAMIS. The State UCOA document in the document library presents the State's standardization of the GL accounts and chart structures that all agencies utilize as a UCOA. The State intends to implement the UCOA in the new financial system.

Alongside this, the State is also developing a UFF which provides the framework for larger, complex agencies to build upon the State's system while maintaining the integrity and potential for integration between the State and the large, complex agencies. To clarify, although all large and complex agencies are a part of the State, a few maintain their own financial systems and will interface financial data into the new "State" system.

The State is looking for the Offeror to provide expertise on best practices from similar implementations completed.

28. Q21: Appendix A GL tab # 207 Content: "Each legal/business entity can have its own GL code structure with unique element values" Question: What does GL code structure mean? Does this refer to how GL codes (accounts) are organized for reporting purposes or does this refer to the Ledger chartfield structure?

See response to question 26.

29. Q22: Appendix A GL tab # 207 Can you please provide a distinction between the UCOA Recording Segments vs Reporting Segments. Specifically: Question: -Are Reporting segments elements which need to be part of the General Ledger structure or are they subledger reporting elements that are outside of the Ledger.

There are certain reporting segments that may become system modules. Ultimately, the segments presented represent the data elements that need to be captured for a transaction to be fully and accurately posted.

The distinction between recording and reporting was made as part of an internal communication effort to understand the change from legacy account codes that represented entire programs to using account codes to record the fundamental accounting transaction that has occurred. The reporting segments are additional and core fields required (though not all are applicable for every transaction) to fully and accurately post the transaction as well as support the State's requirements for reporting.

The Offeror should reference its experience with similar implementations to recommend the best implementation solution, and in anticipation of segments that may become system modules, sequencing of modules, to achieve the objective.

30. Q23: Appendix A Question: What are the Data Conversion requirements for the following? What historical data needs to be converted? How far back do balances/activity need to be converted? • General Ledger • Budget balances • Purchase Orders/Requisitions • AP • AR • Other Subsystems.

The FAMIS financial system has three years of data while the Warrant Writer and Warrant Recon systems both contain approximately a year of data that need to be converted. The State would like to retain as much General Ledger and Budget balance detail as possible. At least five years of PO, Requisitions, AR and AR balances and activity must be converted. Per the RFP, the State has a phasing plan addressing Other Subsystems.

The Offeror should recommend data conversion and transition planning best practices, referencing its experience with similar implementations to propose typical historical data standards and methodologies applied in other projects.

31. Q24: General question: Aside from Expense Reports, does the State transact in currencies other than USD?

No.

32. NOTE: Update to Q15 and Q16. These are general questions and not specifically related to Appendix C, tab 4 as indicated.

Please refer to answers for questions 22 and 23.

33. Are you looking for a solution that will also help govern your Chart of Accounts changes (i.e. new segment values or hierarchy changes) including user self-service requesting of change through the workflow process to approve said change(s)?

The question is presumed to be referencing the Document Library as there is no specific reference to an RFP element.

The State is developing a governance process to support change requests to the UCOA and UFF, including workflows and processes for evaluation of the change request from approval and through adoption of the change.

The Offeror is expected to utilize its expertise to propose a solution that addresses the essential elements of the RFP as well as ensures successful project implementation. If such a solution is not incorporated in your application, please propose a solution to address Chart of Account changes.

34. Would you like Chart of Accounts change requests to support threaded commentary and file attachments which will also be kept for Audit History purposes?

Yes.

35. On A\_1. General Ledger. #205, please explain an example of the type of “mapping” you wish to maintain between a legacy/supplemental system and the General Ledger.

The existing environment includes both dissimilar GL accounts and dissimilar chart structures. The primary system, FAMIS, is only standardized at the major source/object code level, while the minor source/object code level is maintained by the user agency. This allowed larger, complex agencies to develop their own chart structures to accommodate their requirements.

In 2014, the State began an effort to develop a UCOA to standardize the GL accounts and chart structures across the participating agencies. The State intends to implement the UCOA in the new financial system.

Alongside this, the State is also developing a UFF which provides the framework for larger, complex agencies to build upon the State's system while maintaining the integrity and potential for integration between the State and the large, complex agencies. To clarify, although all large and complex agencies are a part of the State, a few maintain their own financial systems and will interface financial data into the new "State" system.

The Project requires development of crosswalks from legacy systems, including FAMIS and agency stand-alone systems, to the new UCOA.

The Offeror should use its experience to anticipate the level of mapping that is required for a successful implementation.

36. On A\_1. General Ledger. #209 – when you say add “elements” to the GL code structure...do you mean adding entirely new segments or just new segment values to an existing segment?

In 2014, the State began an effort to develop a UCOA to standardize the GL accounts and chart structures across the participating agencies. The State intends to implement the UCOA in the new financial system.

The UCOA defines the necessary segments and estimates the segment values necessary to implement the UCOA.

If the Offeror, based on their experience, believes additional segments or segment values are necessary, it should include it in its proposal.

37. When Chart of Accounts changes occur, what other downstream systems/applications also need to receive some flavor of that change (i.e. a new department or account is added)?

The question is presumed to be referencing the Document Library as there is no specific reference to an RFP element.

The Offeror is expected to utilize its expertise to propose a solution that addresses the essential elements of the RFP as well as ensures a successful project implementation.

38. Page 21, 1.22.1, paragraph 2 - Are offerors required to register in HCE prior to contract award?  
An Offeror may use Hawaii Compliance Express as a convenience but may otherwise obtain separate paper compliance certificates from the Department of Taxation, Federal Internal Revenue Service, Department of Labor and Industrial Relations, and the Department of Commerce and Consumer Affairs, as stated in section 1.22.2. The State of Hawaii will not issue a contract award to any Offeror unless all compliance requirements are met, either by demonstrated compliance using Hawaii Compliance Express or by the receipt of separate paper compliance forms.

39. Page 21, 1.22.2, paragraph 1 - Is Vendor required to provide current certificate of compliance prior to contract award?  
Please refer to the answer to question 38.

40. General - The RFP as released is a .pdf of a scanned document. It is not searchable or fillable. Please provide a Word version or searchable .pdf version of the RFP. Thank you.  
We are providing another searchable copy in the Attachments section.

41. Page 59, 1.1.5 - May we use a font smaller than 12-point Arial for tables and graphics? If yes, please clarify smallest font acceptable.  
8-point font is acceptable for labeling tables and graphics.

42. Page 50, Evaluation Criteria 4, item h - Given the 20-page limit for the "Business Solution - Technical Requirements" narrative, are offerors expected to provide a Risk Mitigation plan or provide an approach? If a plan is expected, may we provide it as an appendix to our proposal outside of the page limit?  
See Section I, Change 3 of this Amendment 5.

43. Page 50, Evaluation Criteria 4, item i - Given the 20-page limit for the "Business Solution - Technical Requirements" narrative, are offerors expected to provide a Quality Control plan or provide an approach? If a plan is expected, may we provide it as an appendix to our proposal outside of the page limit?  
See Section I, Change 3 of this Amendment 5.

44. Page 50 / 50, Evaluation Criteria 4 and Evaluation Criteria 5 - Both Evaluation Criteria 4 and 5 request work plans. Is the requirement identical or are two varying work plans expected? If yes,

please clarify the difference between the two and what the offeror is expected to provide for each.

A work plan for the Business Solution – Technical Requirements would cover how the EFS solution would be achieved from a technical standpoint. Depending on the project method proposed (e.g., agile, waterfall, hybrid, etc.), this typically would resemble a release plan or a roadmap for the technical rollout of the solution, to meet the requirements in Appendix C. On the other hand, the work plan for the Business Solution – Implementation Services should resemble an overall work breakdown structure that incorporates all aspects of the project, to meet the requirements in Appendix D.

45. Appendix K - Please clarify whether all offeror personnel listed in Appendix K are considered to be key personnel. Are offerors required to submit a resume for each of the 8 positions listed?  
All personnel listed in Section 1 of Appendix K are considered Key Personnel.

46. Appendix K, Section 2.0 - Please confirm that Functional Lead and Functional Manager Phase 1, listed in section 2.0 of Appendix K, are the same position.  
The Functional Manager is intended to be a Functional Lead, although an Offeror may propose more than one Functional Lead if subject matter is more appropriately handled by multiple personnel.

47. General - May an offeror team with more than one subcontractor?  
Yes. See Section I, Change 1 of this Amendment 5.

48. General - Was an Amendment 1 document released? If yes, please provide.  
Amendment 1 was to add to the “General Comments” section a link to the Offeror’s library and reminder on how to submit questions. Amendment 2 is attached in the “Attachments” section. Amendment 3 was to add the Pre-Offer Conference presentation and list of registered vendors in the “Attachments” section. Amendment 4 included answers from the Pre-Offer Conference Call.

49. Page 40, Section 13.2 - Is a work plan or work plans required with our offer (as requested in Evaluation Criteria 4 item c and Evaluation Criteria 5 or is it /they required after Contract Award as stated on page 40, section 13.2)?  
An Offeror should plan to submit a Work Plan in their proposal to satisfy Evaluation Criteria #5 for Implementation Services. Section 13.2 on page 40 of Exhibit 5, “Selected Supplemental General Conditions” requires a Work Plan “within 21 Days of the Effective Date of the Contract” which may be the same or updated version as a result of a Best and Final Offer (BAFO).

50. Appendix K - Appendix K requests resumes be included as part of our offer as Attachment 4. We can find no reference in the solicitation as to what should be included as Attachments 1 through 3. Please clarify.

An Offeror Checklist is provided in Exhibit 1, "Procedures for Submitting an Offer" so that an Offer may reference all sections and attachments required.

51. Page 20, Section 1.20 - Does the Software Development Business Preference apply to offers where the prime contractor is not certified but the subcontractor is?

The Offeror (prime) must be certified.

52. Page 43, Section 4.1.15, paragraph 1, line 1 - Is the State be willing to expand the 2-mile requirement for a "Project Team Facility" to include any location within Oahu?

No. The majority of State of Hawaii offices that will be involved in the development, design, and implementation of the EFS are located near the Capitol building and a wider distance would make it impractical for State personnel to attend project meetings.

53. Page 33, Section 3.7, paragraph 1, line 1 - Will the State allow up to three vendors to act jointly (one prime and two subcontractors), as long as at least one vendor is a Hawaii-based company?

See Section I, Change 1 of this Amendment 5.

54. Ref: Appendix D Page 20 2.5.21 "Provide coding of automated data conversion extracts from legacy/existing data files, using techniques that are consistent with the development standards." Question: Requirement 2.5.20 and 2.5.22 states the State will extract data from legacy systems. Shouldn't requirement 2.5.21 be the State's responsibility?

The requirement is that the vendor provides coding of automated data conversion extracts from legacy/existing data files, using techniques that are consistent with the development standards.

55. Ref: Appendix D Page 15 - 2.4.8 "Coordinate and communicate with State partners, owners of external systems, and/or third-party service providers regarding interfaces." Question: Requirement 2.3.5 states the State will coordinate, schedule, and communicate with functional and technical SMEs. Shouldn't requirement 2.4.8 be the State's responsibility?

While the State's responsibility is to lead this effort, the expectation is that the vendor partner will assist with coordination and communication based on what may be recommended or required.

56. Ref: RFP\_ERP\_2020\_An Enterprise Financial Solution\_FINAL Page 40 Letter of Credit - Value "What dollar value is required in the letter of credit." Question: Does the value decrease as project deliverables are accepted by the State?

As stated in Section 13 (l)(l) on p. 40 or the RFP, the dollar value of the Letter of Credit shall be in the amount to secure the performance of Contractor, including without limitation performance

of Services in accordance with the Work Plan and providing Deliverables in accordance with the Specifications, and shall secure any damages, cost or expenses resulting from the Contractor's default in performance hereunder or liability caused by Contractor. The State reserves the right to review and give its acceptance to any and all terms in the Letter of Credit prior to acceptance.

57. Ref: Appendix L Page 5-7 2. Software Tables: Software Licensing and Support, Software Specifications, Software- Optional Additional Organizations and/or Increase/Decrease in Number of Seats/State Employees Question: Is the State willing to purchase directly from the software vendor?

The State will select the proposed solution that best meets the requirements and the application licensing model and cost structure.

58. Ref: Appendix L Page 5-7 2. Software Tables: Software Licensing and Support, Software Specifications, Software- Optional Additional Organizations and/or Increase/Decrease in Number of Seats/State Employees Question: Can the solution leverage existing State software vendor enterprise license agreements to procure software (e.g. price lists, volume purchase discounts)? If so, please share the list.

State Price and Vendor List Contracts are publicly available at: <http://spo.hawaii.gov/vendors/contract-awards/price-vendor-lists/>.

59. Ref: RFP\_ERP\_2020\_An Enterprise Financial Solution\_FINAL Pg. 2, 1.1.1 State Business Goals, 1.1.1.5 "Enables consistent adoption and application of policies and procedures across State Departments." Question: Does the selected Offeror need to work with multiple departments regarding the constant adoption and application of policies, and will other departments' staff be End Users of the final system?

Yes, to both questions.

60. Ref: Appendix A\_1, Appendix A\_2, Appendix B Question: Do FAMIS and other e-APPs (eVariance, eRevenue, eBuddi...) work independently or interdependently with each other? Are there any external systems (ex: IRS) that link with the current internal system?

Currently, e-APPs are interdependent with each other but are independent from FAMIS. Reports on eBuddi, eVariance, and eAnalytical use data that is inputted into other eAPPs. Data for eVariance is dependent on data inputted into eAnalytical which is then uploaded to the IBM mainframe and then downloaded into eVariance. eAnalytical reports are dependent on data uploaded to the IBM mainframe from eBuddi, eCIP and eRevenue and is then downloaded into eAnalytical for reporting purposes. eAnalytical is used to create ABC tables and proposed State Program Structure. eTitles is manually inputted to set up the Program Structure for all the eAPPs. The data from eRev is also used to update projected revenues to FAMIS for the MBP reports. The mainframe is utilized to reset revenue amounts prior to update (OBBR11 and OBBR23) and to shift revenue data at the start of each fiscal year (OBBRH19 and OBBRA12).

A high priority is to create budget to actual variance comparisons by major object of expenditures, by means of financing for each budget program id/org code. It would be desirable to be able to import actual information from the Accounting Component of the EFS and the HR component of the State's HR system (HIP/HRMS) into the budget module. We would need information from FAMIS to produce the revenue and expenditure reports in the budget document for budget preparation. For budget preparation and execution, it is desirable to be able to verify revenues for non-general funds.

61. Ref: Appendix A\_1, Appendix A\_2, Appendix B Question: Does the State plan to migrate all historical data? If not, how many years or what is the approximate size of data that needs to be stored in the new system?

Migration of historical data will be required, and a proposal may include storage in a separate data warehouse versus the production system. See response to question 11 regarding retention periods.

62. Appendix I - Please estimate the number of power users who will need to post actual transactions versus end users simply needing request submission, approval, or reporting access for financials, fixed assets, budget preparation, and project accounting.

Until a solution is proposed, this is hard to estimate. A count of current system users has been provided however, the solution will dictate security groups and how many users will have the ability to read/write to the database.

63. Are resumes included in the 10 page limit for Evaluation Criteria 2: Project Organization and Staffing?

Resumes will not be counted in the 10-page limit.

*[Questions 64–74 are omitted from this document as they were repeated from Amendment 4.]*

75. Would SOH prefer an integrated PeopleSoft solution?

The State would consider a PeopleSoft solution if one is proposed, but it does not have a preference.

76. Would SOH prefer an integrated SaaS solution?

SaaS is one of two hosting options – SaaS and Offeror-Hosted – and the State's preference would be for SaaS, per 4.1.8.2.

77. · Do you have a documented roadmap for your HCM/Payroll System? o Do you prefer an integrated solution with HCM/Payroll and the new Enterprise Financial Solution, including single sign on (SSO) capabilities? o How long do you plan to maintain your PeopleSoft HCM platform? **The State is requesting an integrated solution with single-sign-on capabilities. The maintenance duration of the current HCM platform has not been determined, however, the State endeavors to transition to industry standards, maintenance and refresh cycles.**

78. · Does SOH require pricing for all modules / features from all three phases, including the Optional Phase? o If so, shall all software pricing be represented up front, or spread based on timing within Phases? o What is the anticipated concurrent number of users by module/area? o What is the total amount of users by module/area? Distinguish between transactional processing and reporting users.

**The State is requesting pricing for the entire solution, all modules and phases. Please reference the users counts provided within the RFP.**

79. · Why has Asset Inventory been pushed to the Optional Phase? o Can we propose this to be included in Core Phase? o Under the Asset Inventory category, there are seven requirements for Leases. Please confirm the SOH must comply with GASB87 accounting rules for leases.

**The State's first objective is to replace FAMIS which is heavily represented in the Core Phase requirements in Appendix A-1. The other requirements fall where they do based on the expected availability of State resources and business priorities. Yes, the State must comply with GASB87.**

80. · We have noted Purchasing requirements in the Core Phase and one eProcurement Interface requirement in the Expansion Phase. o Should we assume there will be no distributed 'Requestors' in the Core Phase (i.e. Centralized Purchasing only)? o Does eProcurement Interface requirement in the Expansion Phase include a roll-out to SOH requestors? o Does eProcurement Interface requirement in the Expansion Phase include direct connect 'punch-out' functionality to SOH Vendor sites? o Would SOH consider shifting some eProcurement functionality into the Core Phase?

**There should be a requestor role. This role is not centralized, and requestors will be in multiple departments/jurisdictions throughout the state. In the workflow, it goes next to a buyer. The eProcurement solution is expected to include a marketplace which include catalogs with direct uploads and punch-outs. The State could consider some planning activities conducted for the Expansion Phase during the Core Phase. Offerors are encouraged to include their available product/services in their proposal.**

81. · We have noted in the Accounts Payable and Accounts Receivable requirements for Vendor Portal and Customer Portal, respectively. What level access shall we assume? o Inquiry only? o Vendor/Customer Self-Service Onboarding and Maintenance? o Vendor Self Service for PO

Acknowledgement? o Vendor Self Service for Invoice Entry / Upload? Customer Self Service for Payment Processing?

It would be ideal to have inquiry access for vendors and customers to be able to see the status of transactions and trace AP/AR activity. All of the above-mentioned items would be of interest to the State.

82. How many business processes are open for redesign?

It is difficult to quantify the number of business processes that will require re-engineering as there are many manual procedures associated within the finance, accounting and budget operations that are in place in absence of a modern system. However, the State seeks to leverage delivered functionality and minimize customization with the selected system. Business processes requiring redesign are dependent on the solution chosen.

83. Does the State expect a Data Mart for reporting purposes only?

The State desires full functionality and access to point-in-time, drill down reporting and data analytics through delivered business intelligence and reporting tools within the application.

84. Is SOH open to a reporting solution directly from the Enterprise Financial Solution, without the need to deploy a full Data Mart?

Yes, this is correct. See response to question 83.

85. How frequently does SOH want to get regular vendor provided system updates?

There is no specific frequency requirement. However, particularly related to security features, a proposed system will be evaluated based on its ability to respond to necessary security threats in a timely fashion with a high level of deployment automation.

86. Describe your desired change control process for updates to your applications.

Please refer to response for question 20.

87. Describe your desired change control process for updates to your applications. · What are your requirements for Disaster Recovery? o Do you have an RTO (Recovery Time Objective) and a RPO (Recovery Point Objective)?

Regarding change control, see answer to Question 20. Regarding Disaster Recovery (DR), please refer to the various DR-related requirements for the complete evaluation criteria - specifically Appendix C - Technical Requirements tab Technical Architecture requirements 16, 17 and 23 see Appendix C - Technical Requirements tab Solution Architecture requirements 112-121.

88. · How many non-production environments do you require? o How frequently must each non-prod environment be refreshed? o Do any of these environments require similar sizing / performance to the Production environment?

Beyond Production, the requirement Appendix C - Technical Requirements tab Technical Architecture requirements 23 states a preference for at least "sandbox, development, testing, training, and disaster recovery (DR)". Regarding frequency, see the answer to question 85. Regarding non-Production sizing and performance, there are no specific requirements, but proposed systems will be evaluated based on their overall technical and functional ability and fluency in maintaining the various environments – and automating deployments to these environments.

89. Ref: Appendix A\_1 Page 8 Cash Management /Debt and Investment Management/ ID#106 "System can maintain investment and loan information" Question: Which specific information does the State control/maintain in Interest and Loan Management?

Regarding Investment: Interest receivable/accrued from investments, track maturity dates of investments, ability to record if liquidate/sell an investment prior to maturity, recording purchase and sale of investments, cash flows from investments.

Regarding Loans: Interest receivable/payable/accrued from loans, track due dates of loans, ability to record if loan paid prior to due date, recording loan disbursements and repayments.

90. Ref: RFP\_ERP\_2020\_An Enterprise Financial Solution\_FINAL Page 11 Purchasing "Procurement is improving, however, would be better if there were some automated actions taken by the system. I.e. interface with HCE and Vendor Price Lists" Question: Are there any external systems that the State wants to interface with Purchasing automatically?

HCE.

91. Ref: Appendix A\_2 Page 4 Projects/Create and Maintain Project/ ID#11 "The system shall provide the ability to maintain project detail information (e.g., start and end date of projects; project classification - capital versus non-capital; project title/ description), based on user-defined time periods (inception-to-date basis)." Question: Does the State control the project for financial purposes only (Cost/revenue, budget...) or for other purposes (resources, task, timeline...)?

Both, however, this requirement refers to the financial control of the project.

92. General - Was an Amendment 3 document released? If yes, please provide.

See answer to question 48.

93. Ref: Appendix A\_2 Page 5 Projects/Interface/ ID#31 "The system shall provide the ability to interface with departmental capital project-related systems (e.g. DOE FACTRAK, DOT-HWYS FAST, MS Project Server, SharePoint) based on user-defined criteria." Question: Which data does

DAGS interface with for departmental capital project-related systems? Are those interfaces available now?

The interfaces mentioned are planned interfaces with a new EFS.

94. Ref: Appendix A\_2 Page 12 Budget/Budget Development: Functionality/Capability/ID#30 "Ability to approve changes to the budgeted amounts in any budget version (e.g., development budgets, enacted budget), based on a user-defined process and audit trail" Question: Can the State provide the detailed approval workflow for budgetary control (how many levels of approvals, positions,..)?

For Budget Preparation, the State wants a workflow process that would be tailored to budget preparation on the departmental level (going through the various levels of approval) and a comparable process for budget review at the Department of Budget and Finance (B&F).

The review processes vary by department.

See Attachment A of this Amendment 5 for a flowchart for review process at B&F. For B&F, the processes are as follows: 1) Dept. Submittal; 2) BPPM Analyst review; 3) BPPM Branch Chief review; 4) BPPM Administrator review; 5) Deputy Director of Finance and Director of Finance review; 6) Dept. rebuttal (sometimes); 7) Governor's Review; 8) Dept. appeal to Governor (sometimes); 9) Governor's Decisions; 10) Update of budget submittal forms and BJ details; and 11) Submittal of Executive Budget to the Legislature in budget document and bill format.

It would also be desirable to be able to import information from the Legislature's budget system. For the Legislature's process, the State tracks the budget bill at these stages: 1) House Draft; 2) Senate Draft; and 3) Conference Draft. In addition, we track the Conference Draft as enacted as the Budget Act (could potentially be different due to line item vetoes).

The State would need an analogous process for budget execution at the departmental and B&F level.

95. Ref: Appendix A\_2 Page 14 Budget/Budget Forecasting /ID#59 "Ability to save an unlimited number of forecasting models, with assigned model owner, maintaining them for historical purposes." Question: How many current budget models does the State currently use? How many future budget models does the State want to use?

It would be desirable to have a budget forecasting capability that would allow the State to model different outcomes using different growth factors for revenues (preferably at a detailed level) and expenditures (preferably at a detailed level). The State would want the ability to download the forecast onto spreadsheets.

The State would also like the ability to use the budget forecasting module to facilitate the preparation of non-general fund financial plans by the department or B&F for review purposes. Currently, all departments prepare their own non-general fund financial plans using their own assumptions. Also, departments could use for the preparation of the non-general fund reports (pursuant to Section 37-47, HRS) provided that the format, and data requirements don't change. If the budget forecasting module can pull specific revenue and expenditure data, it could help with calculating special fund and all fund balances by department for the budget

document. We could also use this for some of the components of the general fund financial plan.

96. Ref: Appendix A\_2 Page 16 Budget/Budget Resource Planning/ID#111 "Plan Phase Tracking (As budget plan moves through the various stages, we need the ability to report on and provide comparisons at each phase)" Question: What are the comparison requirements for Plan Phase Tracking? (e.g. balances, variances...)

Budget totals at each stage of review and variances/differences between selected stages including: Budget Base/Ceiling, Dept. Request, B&F Recommendation, Dept Rebuttal, B&F Recommendation after rebuttal, Governor's Decision, and Final Governor's Decision (after appeal) by Means of Funding (MOF), Dept. and Statewide. We would need the ability to customize reports as necessary.

97. Ref: Appendix A\_2 Page 24 Grants Management/ Budgeting/ID#1 "For new grants, the system shall provide the ability to integrate with the budget execution process including but not limited to:" Question: Can the State provide more information about the budget execution process? (How many stages? Who is PIC? Approval workflows needed?)

Please refer to E.M. No. 20-08, FY 21 Budget Execution Policies, at <https://budget.hawaii.gov/statewide-policies/executivememorandums/em-2020/> and the attached workflow charts, which includes budget preparation. If budget module provides workflows, department workflows, down to the program level, would need to be included. Department workflows are not available in the current state, but they would likely include program ID or lower level, administrative level, director level.

98. Ref: Appendix B Page 9 Asset Inventory/ Leases/ ID#49 "The system shall provide the ability to interface excess inventory property data to SPO website based on user-defined criteria. " Question: Can the State elaborate on the requirements for the SPO website and the data which should be transferred to this website?

Please review the following link and one of the posted monthly excess listings for the requirements for the SPO website and the data which should be transferred to the website. <https://spo.hawaii.gov/for-state-county-personnel/programs/inventory-management-excess-property/excess-property-list-for-state-agencies/>

99. Ref: Appendix B Page 6 Asset Inventory/ Asset Inventory/ ID#4 "The system shall provide the ability to track and maintain asset information as part of periodic inventory, using industry standard automated data collection technology (e.g., barcode, RFID), formats and conventions." Question: Does DAGS have any asset tracking system with Barcode, RFID...)?

Offerors are encouraged to put forward proposals that show the State what options are available.

100. Ref: Appendix A\_1 Page 14, 4 General Ledger - Consolidation - Req No 121 "Supports consolidations across legal entities with dissimilar charts of accounts" Question: Can you please list legal entities with dissimilar charts of accounts and describe their GL code structure?

The existing environment includes both dissimilar GL accounts and dissimilar chart structures. The primary system, FAMIS, is only standardized at the major source/object code level, while the minor source/object code level is maintained by the user agency. This allowed larger, complex agencies to develop their own chart structures to accommodate their requirements.

In 2014, the State began an effort to develop a UCOA to standardize the GL accounts and chart structures across the participating agencies. The State intends to implement the UCOA in the new financial system.

Alongside this, the State is also developing a UFF which provides the framework for larger, complex agencies to build upon the State's system while maintaining the integrity and potential for integration between the State and the large, complex agencies. To clarify, although all large and complex agencies are a part of the State, a few maintain their own financial systems and will interface financial data into the new "State" system.

The State is looking for the Offeror to provide expertise on best practices from similar implementations completed.

101. Ref: Appendix A\_2 Page 11 6 Budget - Req No 5 "Ability to maintain all completed allocated documents and make them available for read-only access" Question: What information needs to be maintained after completing the allocated documents?

The State needs the ability to document and maintain operating allocations and allotments and CIP allotments as they are approved and subsequently amended, as we currently do through the appropriation warrant, A-19 (Request for Allotment), A-21 (Request for Transfer), A-15 (Allotment Advice), JV (Journal Voucher), etc. processes.

102. Ref: Appendix A\_2 Page 11, 6 Budget - Req No 8 "Produce a report of Program Managers based on user-defined criteria (e.g., current year)" Question: What data type is needed to store the allocation results?

Dashboard for comparison of Budget Appropriation, Allocation and Allotment to actuals. The State should be able to summarize at the Statewide, department level, program level, prog id/org code level and to obtain details by cost elements, major object codes, and MOF at different user defined time periods. Additionally, the State would want the ability to download the data into an excel file.

103. Ref: Appendix A\_2 Page 13, 6 Budget - Req No 38 "Ability to utilize and maintain data from multiple external sources (e.g., student enrollment projections, B&F Variance reports)"

Question: For external sources, what information needs to be controlled and maintained?

For the budget preparation module in the EFS, the State we would want the ability to upload non-budget data such as student enrollment and other program activity indicators into our budget documents.

Files with budget details with needed data fields are provided for manual loading from DOT, UH and DOE, who use their own systems. The State would require interfaces as such.

Variance Report Part I should include Budget to Actuals for FTE and amounts, projected to actuals for first quarter of current fiscal year and projected to estimated for remaining quarters in second fiscal year, Parts II (Measure of Effectiveness), III (Program Target Group), IV (Program Activities) to use the ABC Tables (to show reports of budgeted to actuals in latest fiscal year ended, planned to actuals for first quarter of current fiscal year and planned to estimated in second fiscal year as required by statute.

104. Ref: Appendix A\_2 Page 14, 6 Budget - Req No 58 "Ability to change projections at any time during the fiscal year, based on user-defined criteria (e.g., state economic forecasts), for user-defined parameters, including, but not limited to the following:" Question: For budget forecasting, can you please describe the process to build the forecast?

For high level financial planning purposes, the State takes the Department of Taxation, Council on Revenue's forecast and adds/subtracts other revenue adjustments as necessary and take the approved/proposed budgets and add/subtract expenditure adjustments as necessary. At the department level, they may consider the economic factors behind the forecast to prepare their non-general fund projections as well as their own fee schedules.

105. Ref: Appendix A\_2 Page 15, 6 Budget - Req No 75 "Positions" Question: Can you please provide details for the Positions requirement?

Current fields provided in Budget Details in eBuddi are: Prog ID/Org, Table ID (J1 Perm Posn/T1 Temporary Posn/J1-A Other Personal Svcs Exp), Position No., MOF, Position Title, Incumbent(Name or Filled/Vacant), Bargaining Unit, Salary Range, Dept. of Human Resources Development Organization Code (DPS Org), Step Movement Date, Job Code, Appr Acct., Employee ID, Employee Rec, FY1 FTE, FY1 Salary, FY2 FTE, FY2 Salary, FY3 FTE, FY3 Salary, FY4 FTE, FY4 Salary.

106. Ref: Appendix A\_2 Page 33, 10 Bonds -Bond Accounting- Req No 1 "The system shall provide the ability to comply with all provisions of federal law and regulations pertaining to retaining the bondholders' exemption from federal income taxation on interest paid on state bonds."

Question: Can you please elaborate on the provisions of federal law and regulations pertaining to retaining the bondholders' exemption from federal income taxation on interest paid on state bonds?

Regarding Bonds, the relevant provisions of federal law are Section 103, 141, 148, 149 and 150 of the Internal Revenue Code of 1986 and related regulations of the U.S. Treasury Department.

Section 103 establishes the tax-exemption of interest on bonds issued by states and political subdivisions, subject to ongoing compliance during the term of the bonds with sections 141, 148 and 149.

Section 141, titled "Private Activity Bond," provides, at subsection (a) and (b), in general, that interest on an "issue" of bonds will not be tax-exempt if both of two limits are exceeded: (i) a limit on the amount of proceeds of the issue used directly or indirectly in a private trade or business and (ii) a limit on the private payments made directly or indirectly in respect of such use. The general limit for private business use and payments is 10% of the proceeds of the issue. The limit is reduced to 5% of the proceeds of the bond issue for private business uses and private payments that are unrelated or disproportionate to the governmental uses of the proceeds. For an issue of bonds equal to greater than \$150 million, the private business use and payment limit is capped at \$15 million.

Section 141 at subsection (c) provides in general that interest on an issue of bonds will not be tax-exempt if more than 5% of the proceeds of the bond issue, or if less, \$5 million is used directly or indirectly to make or finance loans to nongovernmental persons.

Section 148, titled "Arbitrage," at subsections (a)-(e), provides in general that interest on an "issue" of bonds will not be tax-exempt if the proceeds of the bond issue are invested at a yield in excess of the yield to the investors on the bond issue. This general rule of investment yield restriction is subject to certain exceptions for investments during temporary periods, investments of a de minimis amount of proceeds and the type of investment.

Section 148(f) provides in general that interest on an issue of bonds will not be tax-exempt unless there is "rebated" to the United States, at prescribed times, the excess (if any) of the amounts actually earned on the investment of the bond proceeds over the amount that would have been earned if the bond proceeds were invested at the yield on the issue of bonds ("positive arbitrage"). There are three separate spending exceptions from the rebate requirement of Section 148(f) if, in general, all of the proceed of the issue are spent within 6 months 18 months or 24 months from the date the bonds are issued. The 6 month exception applies to all bond issues regardless of purpose; the 18 month exception applies to bonds issued for new capital projects and requires the proceeds to be spent over a prescribed schedule and the 24 months exception applies only to new construction projects and requires the proceeds to be spent over a prescribed schedule.

Section 149 provides certain other requirements in order for interest on a bond issue to be tax-exempt. Those requirements that are principally relevant are ((i) the bonds are not federally guaranteed and (ii) the bonds are not "hedge bonds." A bond is federally guaranteed if it is guaranteed in whole or part by the US or any agency or instrumentality thereof or of more than 5% of the proceeds of the bonds are used to make a loan that is so guaranteed or is invested in federally insured deposits or accounts. A bond is a hedge bond unless either (i) 85% of the proceeds of the bond issue are expected to be spent within 3 years of the date of issue of the bonds and not more than 50% of the proceeds of the issue are invested at a guaranteed yield for

4 years or more or (ii) it is reasonably expected at the date of issue that the proceeds will be spent over a prescribed 5 year schedule.

Section 150 and related Treasury Department regulations provide definitions that govern for purposes of Sections 103, 141, 148 and 149. For example, in general, an "issue" bonds is defined as obligations that are sold substantially at the same time, pursuant to the same plan of financing and are reasonably expected to be paid from the same source of funds.

Treasury Regulations Sections 1.141-1 - 1.141-15, 1.148-1 – 1.148-11, 1.149(g)-1 and 1.150-1 provide interpretive guidance for the foregoing rules. For example. Treasury Regulations 1.141-6 and 1.148-6 provide rules for the allocation of and accounting for the investment and expenditure of the proceeds of a bond issue. As a further example, Treasury Regulation Section 1.141-12 provides rules for preserving the tax-exemption of interest on a bond issue in the event of a post-issuance change in use of the proceeds of the bond issue.

107. Ref: Appendix A\_2 Page 33, 10 Bonds- Bond Accounting- Req No 7 "The system shall provide the ability to amortize bond issuance cost, deferred gain/loss on bond refunding, bond premiums and discounts and easily adjust, if applicable, for defeasements." Question: Can you please elaborate on the amortization method?

Please refer to Change Number 5 of this Amendment 5. The State expenses bond issue costs, they are not amortized. Please refer to GASB 62 and GASB 65 for the method of amortization for deferred gain/loss on bond refunding and bond premiums and discounts the State must comply with.

108. Ref: Appendix A\_2 Page 34, 10 Bonds - Debt Management- Req No 24 "The system shall have the ability to provide debt management system functionality, including but not limited to: " Question: Can you please elaborate on the debt management system functionality?

For the system to arrange and provide data necessary for compliance with federal law and regulation relating to federal income taxation on interest paid on state bonds, the debt management system functionality needs to have the following capabilities:

*Maintenance of separate files for each bond issue.*

Each bond issue must: (i) identify the bond issue by year and series designation, (ii) state whether the bond issue is issued with tax-exempt interest (or is otherwise tax-advantaged) or with taxable interest, (iii) state the date of sale, date of issue, principal amount and issue price of the bond issue and whether it is a fixed rate or variable rate bond, (iv) identify any interest rate swap, cap or other hedge contract with respect to the bond issue, (v) allocate the proceeds of the issue according to the various uses expected as of the date of issue (e.g., amount for cost of issuance, amount for new capital expenditures, amount for working capital expenditures, amount to refund prior bonds (with a link to the file maintained for that prior issue), amount to reimburse expenditures made prior to the date of issue), (vi) state the yield on the bond issue, (vii) identify the investments allocated to the proceeds of the bond issue on any given date (viii) state the amount of investment earnings as of any date that is allocated to that bond issue, (ix) state the

weighted average maturity of the bond issue, and (x) state whether other bonds were sold within 15 days of the date of sale of the bonds issue and a link to the files for any such bonds.

For each bond issue that provides original financing of capital expenditures, the file for that bond issue must provide for each capital improvement project financed in whole or part by that bond issue: (i) the Department Name, Act No. and State law number, the date of enactment of the Act, title of the capital improvement project, (ii) whether that project has been designated by Budget and Finance as a private use project or a governmental use project, (iii) the amount of proceeds of the bond issue expected at the date of issue to be expended for that project, the amount of expenditures actually expended as of any date for that project and a schedule by date, amount and type (i.e., acquisition, construction, renovation or repair) of each expenditure of proceeds of the bonds issue actually spent for that project) and (iv) a link to the related capital improvement project folder maintained for that project. In addition, for each bond issue that provides original financing of capital expenditures, the file for that bond issue must aggregate the information in (iii) for all projects designated as private use projects and for all projects designated as governmental use projects.

*Maintenance of separate files for each Capital Improvement Project Financed by One or More Issues of Bonds.*

For each capital improvement project financed in whole or part with the proceed of a bond issue, the file for that project must provide the following information: (i) the Department Name, Act No. and State law number, the date of enactment of the Act, title of the capital improvement project, (ii) the aggregate authorized cost amount for that project for all fiscal years, (iii) the expected economic life of that project, (iv) the amount of expected cost of that project allocated to each issue of bonds that is expected to finance that project; (v) the amount of expenditures for that project allocated to each issue of bonds that provides financing for that project and the date and amount of each such expenditure, (vi) the type of expenditure (acquisition, construction, renovation, repair) for that project allocated to each issue of bonds that financed that project, (vii) whether that project has been designated by Budget and Finance as a private use project or a governmental use project, (viii) if designated as private use project, a description of the type of private use (this could be done by numeric or alphabetic code –(a) for private ownership, (b) for lease to a private party, etc.) and (ix) if originally designated as a governmental use project, whether there has been any change from the use originally expected and if so, a description of the new use.

109. Ref: Appendix A\_2 Page 35, 10 Bond - Loan - Req No 68 "The system shall provide the ability to calculate amortization of construction interest, based on user-defined criteria." Question: Can you please elaborate on the calculation methods for the amortization of construction interests? Ability to calculate amortization of construction interest, based on user-defined criteria, includes consideration of the structure and debt that is issued and the allocation of the proceeds to projects. Please refer to GASB 89 for the method the State must comply with to calculate construction interest.

110. Ref: Appendix B Page 4, 4 Investment- General - Req No 21 "Investment type and description/narrative" Question: What are the different types of investments? How many types are there?  
The State investment portfolio consists of authorized investment types per HRS 36-21, see [https://www.capitol.hawaii.gov/hrscurrent/Vol01\\_Ch0001-0042F/HRS0036/HRS\\_0036-0021.htm](https://www.capitol.hawaii.gov/hrscurrent/Vol01_Ch0001-0042F/HRS0036/HRS_0036-0021.htm). Primarily bank Certificates of Deposit, US Treasuries, US Government-Sponsored Enterprise, Commercial Paper. Approximately 15 different types, which are tracked by broker (5 brokers currently) and fund (4: general, special, trust, bond).
111. Ref: Appendix B Page 4, 4 Investment- General - Req No 26 "The system shall provide ability to provide automatic investment updates based on user-defined parameters (e.g., dynamic/real-time, scheduled/batched, etc.) " Question: What information need to be updated?  
Ability to capture updates to investment balances and details as transactions are recorded, as well as capture balances and details as of a certain date in past or future (provided the historical data is available in the system).
112. Ref: Appendix B Page 5, 4 Investment- Inquiry & Reporting - Req No 40 "Performance measurements, benchmark designation" Question: Can you please elaborate on the performance measurements? How is performance measured?  
Ability to select a standard market fixed income benchmark (e.g. US Treasury 1-5 Year Index, 91-day Treasury Bill Index) designation to measure portfolio performance. Performance measurements for the State include: 1. Book return based on constant yield measures; 2. Book yield based on constant yield based amortized cost method; 3. Market return based on time weighted total return measures; 4. Market yield and option adjusted duration measures.
113. Ref: Appendix A\_2 Page 23, 8 eProcurement Interface - Req No6 "validation with Hawaii Compliance Express (HCE)" Question: What is the amount of data and how frequent is this API executed?  
The State has approximately 37,980 vendors currently in HCE, so the number of calls and the frequency calls would be a multiple of that number expecting that different users in different departments will be checking the status of HCE compliance for the same vendors multiple times.
114. Ref: Appendix A\_1 Page 41, 10 Data Warehouse - Req No8 "The system shall be able to adapt to workload needs; dynamically expanding and scaling back compute resources as needed to maximize performance and concurrency." Question: How many systems will extract data from the data warehouse?  
Data from the finance application and/or data warehouse will need to be extracted by all executive branch departments and potentially other jurisdictions. Within the departments and jurisdictions there may be multiple sub-systems tied to their financial accounting application and process.

115. Ref: Appendix A\_1 Page 41, 10 Data Warehouse - Req No10 "Data queries generated as result of user interaction with the business intelligence / data warehouse applications shall not affect existing performance of the transactional database(s) from which data are pulled." Question: How many integrated systems input data into the warehouse? What are the systems?  
Please refer to response for question 114. Additionally, the answer depends on what solution is proposed.
116. Ref: Appendix A\_1 Page 41, 10 Data Warehouse - Req No16 "The system shall have interactive data visualization capabilities - charts, graphs, etc." Question: How many systems need real-time integration and exploitation?  
The answer depends on what solution is proposed.
117. Ref: Appendix A\_1 Page 41, 10 Data Warehouse - Req No17 "The system shall be designed and documented for intuitive usability and high adoption." Question: How many systems need to integrate and exploit batch jobs?  
The answer depends on what solution is proposed.
118. Ref: Appendix A\_1 Page 41, 10 Data Warehouse - Req No24 "The system shall have regulatory compliance capabilities." Question: How much detail needs to be stored? (e.g. Details, aggregation, or both)  
Both detailed and aggregated data will need to be stored in the system.
119. Ref: Appendix A\_1 Page 41, 10 Data Warehouse - Req No25 "The system shall have threat/fraud detection capabilities." Question: How long will the data need to be stored and synchronized with the warehouse?  
Threat/fraud detection data should be kept indefinitely.
120. Ref: Appendix A\_1 Page 26, 7 Accounts Receivable - Req No 18 "Automated electronic funds transfer (EFT) lock box processing" Question: Can you please provide the current EFT lock box process?  
Currently the State contracts a bank to handle traditional lockbox check deposits. There is a bank account attached to the lockbox wherein the bank makes automatic daily deposits. The lockbox bank automatically transfers the deposits from the lockbox bank to the State's main bank daily via automatic wire transfer. The State currently only utilizes lockbox for one program at the Dept. of Human Services (DHS). There may be a desire in the future for a lockbox setup to receive EFT (home banking payments or credit cards), with a data feed to the state to update its receivables records.

121. Ref: Appendix A\_1 Page 34 Cash Management - Req No 102 "The system shall provide the ability to project cash flows from external and feeder systems based on user-defined criteria."

Question: What are the external and feeder systems for the projected cash flows?

The state treasury at Dept. of Budget & Finance currently utilizes a third-party cloud-based system for investments which could provide projected cash flows download. The state could also receive data downloads from the banks with historical cash flows in order to make projections. Neither of these is currently being done.

For tax revenue, the system is called FAST. See <https://fastenterprises.com/>.

122. Ref: Appendix A\_1 Page 37, 8 Cash Management - Req No 172 "The system shall provide the ability to interface data on cash flows, both actual and projected, from external systems (including an Investment portfolio management system) based on user-defined criteria."

Question: What are the external systems that the system has to interface with for data on cash flows, both actual and projected?

The state treasury at Dept. of Budget & Finance currently utilizes a third-party cloud-based system for investments which could provide projected cash flow download. Also, cash transaction downloads from various banking internet-based applications or FTP connection with actual cash flow data.

For tax revenue, the system is called FAST. See <https://fastenterprises.com/>.

123. Ref: Appendix D Page 11-12, 2.3.3, 2.3.16 "Conduct and document State interviews, group workshops, and surveys to finalize the detailed functional and technical requirements."

Question: What is the expected number of stakeholder groups to be interviewed and surveyed?

The State anticipates that there will be stakeholder groups representing the various operational areas outlined in the three phases of the implementation.

124. Ref: RFP\_ERP\_2020\_An Enterprise Financial Solution\_FINAL Page 3, State Business Goals

1.1.1.8 "Training of State staff to configure and operate the EFS minimal support from consultants and provides for ongoing training and knowledge transfer regarding operating the system." Question: Does the State have a Learning Management System (LMS) in place for this project? If so, what is the LMS?

The State does not have an enterprise Learning Management System in place and would require that the vendor provide a solution to meet the training requirement.

125. Ref: Appendix A\_1 4 General Ledger - Journal Entry/Other GL Transactions - Req No 281 "The system shall provide the ability to record journal entries for financial statement purposes only (i.e., not recorded in the general ledger)" Question: What journal entries are recorded for financial statement purpose only? Please clarify "not recorded in the GL"? Is this recorded in the

GL as accounted currency i.e. USD, instead use statistics currency?

The State of Hawaii (SOH)'s general ledger is on a modified cash basis. All accrual journal entries, whether internally generated or externally auditor generated, are not recorded in the general ledger and are recorded for accrual based financial statements (CAFR) only. We are not familiar with the term accounted currency or statistics currency. The SOH's financial statements are published in US dollars; no foreign currency. An Offeror system solution capable of generating CAFR financials, through the use of input templates or other mechanism(s) must be a part of the Offeror's total financial package. Although part of the ultimate automated financial solution package, the data utilized to generate the CAFR financials must be distinctly and perpetually separate from what is recorded in the general ledger.

126. 1. In Exhibit 3: Relationship Management, the State identifies contractor key roles including Contractor Senior Executive (section 2.1), Contractor Program Manager (section 2.2), Contractor Contract Administrator (section 2.3), and Contractor Project Manager (section 3.1.3). In Appendix K proposed Organization and Staffing (section 1.0 Roles and Responsibilities of Key Personnel) the Contractor Senior Executive Role is not identified. From the standpoint of Relationship Management, our intention is to assign the duties of Contractor Senior Executive with the Contractor Program Manager key role. Would this be acceptable to the State?

Yes, that would be suitable for the State.

127. In section 6 of the RFP Evaluation Criteria 4: Business Solution - Technical Requirements, the direction from the RFP is to provide answers to points a through k and to provide a narrative response to how our solution will address the requirements from Appendix C: Technical Requirements. Points a through k span a broad range of implementation topics including key personnel, implementation methodology, risk management, and quality control. Appendix C: Technical requirements covers a seemingly very different range of topics including Technical Architecture, Solution Architecture, and Solution Technology. Considering the amount of content to be covered, would the state consider expanding the page limit to 30 pages for Evaluation Criteria 4?

See Section I, Change 3 of this document.

128. 3. Appendix D - Implementation Services Requirements Section 2.0 Implementation Services. There are a number of implementation services requirements that part, or all of the description would apply to an on-premise solution but would not apply to the implementation of a SaaS solution. One example is 2.2.8: "Provide a Technical Architecture Strategy (e.g. including application, database, network, infrastructure, system management, security, administration)." Several of the variables listed in this requirement are covered by the SaaS software and would not be subject to the direction of the project team. How should we address implementation services requirements in appendix D where some or all of the requirement does not apply to a SaaS solution?

Independent of the solution platform and architecture, the State is requesting a Technical Architectural Strategy for review and if any elements are not applicable, an Offeror may state so.

129. Appendix D - Implementation Services Requirements Section 3.0 Minimum List of Deliverables lists 55 deliverables. It is our understanding that while not all deliverables will be duplicated in later phases, all 55 deliverables are required in the first phase which we anticipate will be approximately 12 months from kickoff to go live. The pace of deliverables would be approximately 1 deliverable per week for the entire year. We will staff up our project team to be able to produce these deliverables. Our question to the State is will the State project team have resources available to participate in the review and approval of such an exhaustive list of deliverables while maintaining the 12-month project schedule? As an alternative would the state consider a more streamlined list of deliverables where deliverable content can be combined into a fewer deliverable while still meeting the objectives of the State?  
**All deliverables must be met by the Offeror; however, an Offeror may propose to combine them as appropriate.**

130. Appendix K - Proposed Organization and Staffing section 2.3 Offeror Employees mentions that "All key personnel for whom resumes are submitted must be employed by the Offeror before the Notice to Proceed date as defined in RFP Section 1.3". To enable valued subcontractors can the statement be amended to: "All key personnel for whom resumes are submitted must be employed by the Offeror or identified subcontractors before the Notice to Proceed date as defined in RFP Section 1.3".  
**See Section I, Change 4 of this document.**

131. Ref: Appendix A\_2 Page 23, 8 eProcurement Interface - Req No3 "budget/funds verification and encumber funds for P Card usage" Question: Does the PCard system support API calls?  
**The State is currently undergoing a transition in vendors for its PCard system that should be completed by the end of Fiscal Year 2021, and the new PCard provider will be required to support API.**

132. Appendix A\_2 Expansion Phase Requirements: Budget Tab: #29 - The requirement specifies that the application provide the 'Ability for each organizational unit to develop and modify a budget at any level of the organizational structure and at any level of the program structure, throughout the budget development process.' This seems to imply that the State wishes for an organizational unit to be able to put one amount in an organization or program one year and then spread the total budget to multiple organizations and programs the next year. While technically feasible, please clarify the State's intent for this requirement with example(s) of the desired functionality.  
**During budget preparation process, each organizational unit should have the ability to submit budget requests for possible incorporation into the department's budget. Requests can be modified at different stages of the review process.**

133. Appendix A\_2 Expansion Phase Requirements: Budget Tab: 35 The requirement specifies that the application provide the 'Ability to consolidate organizational unit budgets (e.g., expenditures, transfers, and revenues/receipts), actual and budgeted, at any level of the organizational structure, across organizational structures.' Please clarify the State's intent for this requirement with example(s) of the desired functionality.

For budget preparation, the State should have ability to show user defined groupings of budget requests including but not limited to Statewide Totals , Dept Totals, Division Totals (e.g., DOT), Prog ID Totals, Prog ID/Org Code Totals by Cost Elements (Personal Svcs, Other Current Exp., Equipment, Motor Vehicles), MOF and FY. The State needs the ability to consolidate specific budget requests at various organizational levels. For example, we would need to be able to produce separate totals for DOT-Airports, Highways and Harbors divisions but also a consolidated dept. total.

For budget execution, reporting should include the ability to show user defined groupings including but not limited to Statewide Totals , Dept Totals, Division Totals (e.g., DOT), Prog ID Totals, Prog ID/Org Code Totals by Cost Elements (Personal Svcs, Other Current Exp., Equipment, Motor Vehicles), MOF and FY.

134. Appendix A\_2 Expansion Phase Requirements: Budget Tab #99 The requirement specifies that the application provide the 'Ability to perform calculations based on user-defined rules and guidelines, user-defined time periods, and user authorization level'. Please clarify the State's intended usage for this requirement with example(s) of the desired calculations.

Statewide Totals , Dept Totals, Division Totals (within DOT for example), Prog ID Totals, Prog ID/Org Code Totals by Cost Elements (Personal Svcs, Other Current Exp., Equipment, Motor Vehicles), MOF and FY are required to facilitate review and compilation of budget requests and the budget document. In addition, budget and expenditure-related reports may be required as needed which would require the compilation of data based on user-defined parameters.

135. Appendix A\_2 Expansion Phase Requirements: Budget Tab # 107 The requirement specifies that the application provide the 'Ability to maintain (store), print, download and/or upload budget information for all budget phases in various user-defined formats (e.g., MS Excel, MS Access, Adobe.pdf, .jpg, XML), based on user-defined parameters.' Please confirm that the State does not intend for the budgeting application to be able to extract text or numeric characters from an Adobe pdf or .jpg file and store the data to a field.

The State would want the ability to store different versions of the budget at the various stages of review and to download into a excel and other print formats as may be necessary. We do not foresee any need to export data from pdf files.

136. Appendix A\_2 Expansion Phase Requirements: Budget Tab #126 The requirement specifies that the application provide the 'Ability to maintain (store), print, download and/or upload budget information for all budget phases in various user-defined formats (e.g., Google Sheets, Google Docs, MS Excel, MS Access, Adobe.pdf, .jpg, XML), based on user-defined parameters.'

Please confirm that the State does not intend for the budgeting application to be able to extract text or numeric characters from an Adobe pdf or .jpg file and store the data to a field.

The State wants the ability to store different versions of the budget at the various stages of review and to download into a excel and other print formats as may be necessary. We do not foresee any need to export data from pdf files.

137. Main RFP: Has the State Uniform Chart of Accounts been finalized and approved? If not, what is the current state of the design of the UCoA?

Yes.

138. Main RFP: Please clarify if the requirement mentioned in Section 4.1.15 is specific to the upcoming project and office project space or is this for post go live activities and only if there is a need for a meeting room? Section 4.1.15 Continuity of Contractor Personnel Objective indicates a "Project Team Facility to provide the and support the applicable services located not more than 2 miles from the Hawaii State Capitol building."

The requirement pertains to the project work including meeting space as well as the On-Going Service Requirements described in Appendix E. If necessary, an Offeror may propose a co-located State facility if necessary.

139. Main RFP: The State has indicated a preference on the phasing approach to deploy core functionality in FY23, expanded functionality in FY24, and optional functionality in calendar year 2024. Is there a special circumstance that dictates the order of deployment? What are the constraints that restricts some functionality to be deployed in a certain order?

The State's first objective is to replace FAMIS which is heavily represented in the Core Phase requirements in Appendix A-1. The other requirements fall where they do based on the expected availability of State resources and business priorities.

140. In Appendix K, the State has provided a Proposed Project Organization and Staffing roles. Are these roles filled by State employees or will they be filled by State contractors? If they are filled with employees, will the employee's previous role be back filled?

The proposed project organization and staffing roles will be filled with State employees; however, some will be dedicated to project work and others will serve as subject matter experts and leads who currently direct finance, accounting, budgeting, and other functions.

141. Main RFP: The State has indicated a 3-year contract with this RFP. However, the Appendix L Cost Workbook shows 4 plus years. Please clarify the number of years for pricing purposes and the number of contract years the State is awarding to the contractor.

The three (3) year contract period covers the implementation work and the subsequent years apply to operations, maintenance, hosting (as applicable) contract.

142. Appendix I provides the number of active end users for each application. What is the total number of end users for Finance applications, i.e. FAMIS, CIP, FAMS, Revenue, etc.? Are there any other types of end user at the State?

Appendix I, Section 1 is a breakdown of each financial application and their sum total would be all of the financial application end users, although there may be some overlap in end users between these applications.

Systems	Department Owner	Purpose	Number of Active End User Accounts
Financial Accounting Management and Information System (FAMIS)	DAGS	General Ledger, Accounts Payable	359
Datamart	DAGS	Data Warehouse for FAMIS	782
Fixed Asset Inventory System (FAIS)	DAGS	Fixed asset management	1100
eBUDDI	B&F	Appropriations and operating budget preparation	227
eCIP		Capital improvement project budget management	198
eAnalytical	B&F	Performance measures on budget	283
eVariance	B&F	Budget variance reporting system (does not handle budget-to-actuals)	297
eRevenue	B&F	Quarterly revenue/receipts collected	271
Federal Award Management System (FAMS)	B&F	Manages federal contract and grant data	1110

Procurement and employee travel would be other end user types.

143. Appendix A-1 Core Phase Requirements: Tab 6 (Accounts Payable) Regarding Electronic Vendor Invoice Management – How many Invoices does the State process on an annual basis which the new EFS would need to accommodate at a minimum in terms of SaaS Licensing? The State processes Summary Warrant Vouchers (SWV) which are check requests and not individual invoices. One SWV request can have many and varied vendor invoices attached, or no invoices attached, depending on the dollar threshold of the invoice(s) individually and in the aggregate. Consequently, our current Accounts Payable system does not capture the requested invoice volume. Our average annual SWV volume approximates 78,000. The SWV process is segregated between autonomous and non-autonomous agencies and further segregated between payments above and below \$1,000. Briefly, the State processes non-autonomous invoices above \$1,000 and to address the SaaS licensing question, has approximately 25,000 active vendors in the current system. For non-autonomous payments below \$1,000 and autonomous agencies, the State processes the SWV but does not have invoice detail. The current vendor count includes payments to State employees which cannot be readily isolated from external vendors.

Offerors are encouraged to include a proposed solution based on their experience.

144. Appendix A-1 Core Phase Requirements: Tab 9 (Purchasing): Can the State please confirm that the new EFS should have embedded/integrated eSignature capabilities? Does the State currently have an eSignature Technology/Service Standard? If so, can the State confirm these requirements and expectations in a subsequent RFP Addendum?

While the State doesn't have an electronic signature standard, it desires a solution for electronic workflow approval that records approvals according to a digital record and date/timestamp of the approval that is auditable.

145. Appendix A-1 Core Phase Requirements: Tab 9 (Data Warehouse) What is the State's using currently to facilitate the FAMIS DataMart?

The current FAMIS DataMart is an internal system that has been built and is maintained by a third-party contractor using mainframe COBOL programming.

146. Appendix A-1 Core Phase Requirements: Tab 9 (Data Warehouse) What is the current size of the State's FAMIS DataMart?

The Application Server is 36GB and the Database Server 702GB.

147. Appendix A-2 Expansion Phase Requirements: Tab 7 (Travel) Can the State please provide the number of Travel Request and/or Expense Reports it processes on an annual basis (pre-Covid)?

The State does not separately track these types of payments. Please refer to the response to question 143 above for additional information. Offerors are encouraged to include a proposed solution based on their experience.

148. Appendix D Implementation Services Requirements 2.5.31 Can the State please provide the amount of members it expects to have as a CORE EFS Project Team for Training Scope?

2.5.31 is the requirement to provide knowledge transfer materials including dialogue scripts for Level 1 support of the system, which differs from the EFS Project Team. An estimate of Level 1 support users would be fifty (50) personnel. On the other hand, the State Project Team is defined in Appendix K.

149. Appendix A\_1 Core Phase Requirements: Tab 9 (Purchasing) Will all purchasing activity occur in the new system?

Yes. The RFP includes purchasing as part of the core requirements. The State would like the Offerors to propose best practice integrated solutions based on their experience and provide supporting examples.

150. Appendix A\_2 Expansion Phase Requirements: Will the purchasing functionality implemented in phase 1 move to the new eProcurement system and be entirely replaced with the Purchasing interfaces in Appendix A-2?

Vendors are advised to be looking for a separate solicitation forthcoming from the State Procurement Office imminently, so the answer is still unknown at this time. The eProcurement project is expected to be a multi-year, multi-phased project with a marketplace being its first phase.

151. Main RFP: What software/eProcurement platform is being implemented by the state in in 2022?

At this time, the answer is unknown as a separate solicitation is forthcoming from the State Procurement Office imminently. Please refer to the answer for question 150.

152. Main RFP: Please provide the main functionality provided by the State's new eProcurement platform (example: Vendor Management, Vendor Self Service, Strategic Sourcing/Bid Processing, Procure to Pay, Contract Management etc.)

At this time, the answer is unknown as a separate solicitation is forthcoming from the State Procurement Office imminently. Please refer to the answer for question 150.

153. Main RFP: How many online catalog vendors are currently enabled for procurement? Please provide a list of the top 5 catalogs.

At this time, the answer is unknown as a separate solicitation is forthcoming from the State Procurement Office imminently. Please refer to the answer for question 150.

154. Main RFP 1.5 Period of Performance: Is it the State's intent to contract (at a minimum) for Both the CORE PHASE as well as the EXPANSION PHASE?

Per Section 1.5, the state expects the period of performance to cover the Core Phase, and the Expansion Phase, and if it chooses, the Optional Phase.

155. Main RFP 1.5 Period of Performance: Is it the State's intent to Pay for the EFS COTS Solution SaaS Licensing from the commencement of the Contract, during the Implementation/Deployment Phases (CORE and Expansion) which is standard within the Enterprise Software Technology marketplace?

The State will consider such an offer.

156. 1.20 Software Development Business Preference : If we as a Prime RFP

Respondent/Contractor include a qualified Hawaii Software Development Business as one of our Subcontractors, does that qualify for the waiver of the 10% RFP Price Addition, or... does a Qualified Hawaii Software Development Business need to be the Prime to have the 10% RFP Price Addition waived. Also – if a Hawaii Software Development Business is the Prime RFP Respondent/Contractor – do they need to materially and primarily meet all qualification requirements as outlined in your Evaluation criteria?

Per HAR Subchapter 5 Software Development Businesses, “Hawaii software development business” means any person, agency, corporation, or other business entity with its principal place of business or ancillary headquarters located in the State of Hawaii that proposes to obtain eighty per cent of the labor for software development from persons domiciled in Hawaii. The procurement officer calling for offers may request additional information deemed necessary in order to qualify the offeror and shall have sole discretion in determining acceptance of the offeror as a Hawaii software development business. Previous certifications shall not apply. All prime and subcontractors included in an Offeror’s proposal must meet all evaluation criteria stated in this RFP, whether or not they are certified as a Hawaii software development business.

157. Main RFP 4.1.8 (Hosting Objective Options) Does the State have any in-place standards, and/or contracts it wishes to leverage for usage credits - for Cloud based Infrastructure-as-a-Service (IaaS) – such as Amazon AWS, Microsoft Azure or Google Cloud? Does the State have a preference for any of these (3) IaaS Gov-Cloud Service Providers for the next gen – State of HI EFS?

There are no specific additional requirements related the requirement 4.1.8.

158. Main RFP Section 6 – Evaluation Criteria and Scoring: Can the State provide examples or specific expectations of what it considers “...going well above and beyond the requirements of the RFP, providing added value” , to achieve a rating of (5)?

To achieve a rating of 5 for the specific categories in the RFP would be subject to the sufficiency of meeting or exceeding requirements while requiring minimal customization. Additionally, it would contribute to significant efficiency gains in processing accuracy and time through automation where possible, versus manual effort.

159. Appendix D : Section 2.0 Implementation Services: Does the State require Implementation Services be performed only by US Personnel on US soil? We are seeing this become a standard requirement within the US Public Sector, based on Risk Mitigation, Data Security & Privacy Compliance as well as overall Project Governance, within ERP/Finance based Transformational Projects like the EFS Project the State of HI is undertaking. If so, can you please confirm this in a subsequent RFP Addendum?

There is no citizenship requirement included in this RFP. Please refer to section 4.1.15, “Continuity of Contractor Personnel Objective”.

160. Appendix D : Section 2.0 Implementation Services: Does the State require On-Going Services be performed only by US Personnel on US soil? We are seeing this become a standard requirement within the US Public Sector, based on Risk Mitigation, Data Security & Privacy Compliance as well as overall Project Governance, within ERP/Finance based Transformational Projects like the EFS Project the State of HI is undertaking. If so, can you please confirm this in a subsequent RFP Addendum?

There is no citizenship requirement included in this RFP. Please refer to section 4.1.15, “Continuity of Contractor Personnel Objective”.

161. Appendix G : Is it the correct expectation that as part of the overall delivered Implementation and Deployment Services that all of the Reports listed in Appendix G need to be provided- within Scope? If this is a correct assumption – can the State please confirm in a subsequent RFP Addendum?

Yes, that is correct that all the reports identified in Appendix G need to be provided, however, should there be capabilities to consolidate reports or provide reports that may be filtered by any data element, those recommendations will be considered as long as the report user/recipient(s) concur that the report(s) meet the requirement.

162. Appendix A\_2 Expansion Phase Requirements: TAB 8 (eProcurement Interface) Has this RFP been released by the State? If so, has the State selected a new eProcurement Platform? Can the State provide a copy of the RFP as reference to requirements and expectations of the new eProcurement Platform, which the EFS will need to integrate into? Would the State consider an Optional, Fully Integrated eProcurement platform as part of the EFS Proposed Solution, which we could include in our RFP response?

At this time, the answer is unknown as a separate solicitation is forthcoming from the State Procurement Office imminently. Please refer to the answer for question 150. Offers may propose additional functionality that it believes the State may desire.

163. Appendix H Technical Architecture: Does the State currently have an in-place Standard established for Integration Technology and/or Integration (both Data and Application) methodologies and/or preferences? If so – can the State provide this information/feedback in a subsequent RFP Addendum?

There are no specific additional requirements related to Integration Technology and/or Integration (both Data and Application) methodologies and/or preferences.

164. Appendix I Technical Architecture: How many State Employees need access to the Enterprise Reporting and Analytics as part of the new EFS Solution? If the State could quantify based on the following: Super-Users (Reporting and Analytics Administrators) - ? Consumers(Self-Service based Reporting and Analytics Users who will leverage the new EFS Solutions Data – for on-demand Reporting and Analytics needs) - ?

Please refer to response for question 142

165. Main RFP: 6.3 Background and Experience – Would the State be willing to add within each Rating within both the Background and Experience (Relevancy and Experience Recently Rating Sections) the following:....same scope “within US Public Sector (State, City and/or County

Government organizations) as well as Higher Education Institutions – the size(Operating Budget, Employees...) of the State of Hawaii” ?

The State will not be changing its published Evaluation Criteria.

166. Main RFP: 1.5 Period of Performance: How is the State going to handle on-going (after deployment) On-Going Services Requirements Fees? Does the State not require visibility and guarantee of these On-Going Operating Fees upon Go-Live of each Phase? Other similar State projects have requested 15-year optional pricing guarantee to leverage the best pricing possible. Is the State willing to consider asking for a 15-year pricing option for the EFS COTS SaaS Solution Subscription Fees? This would provide the State with Cost Certainty for Budget Planning, while also providing flexibility for legislative Budget Approval Processes within the State.

Yes, this could be considered. Vendors are advised to amend their submission of Appendix L, Cost Workbook if so.

167. Main RFP: Section 1.5 Period of Performance How is the State going to handle on-going (after deployment) EFS COTS SaaS Solution Subscription Fees? Does the State not require visibility and guarantee of these On-Going Operating Fees upon Go-Live of each Phase? Other similar State projects have requested 15-year optional pricing guarantee to leverage the best pricing possible. Is the State willing to consider asking for a 15-year pricing option for the EFS COTS SaaS Solution Subscription Fees? This would provide the State with Cost Certainty for Budget Planning, while also providing flexibility for legislative Budget Approval Processes within the State.

Yes, this could be considered. Vendors are advised to amend their submission of Appendix L, Cost Workbook if so.

  
Douglas Murdock (Jan 12, 2021 14:53 HST)

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Douglas Murdock,  
Chief Information Officer/  
Procurement Officer

Jan 12, 2021

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Date

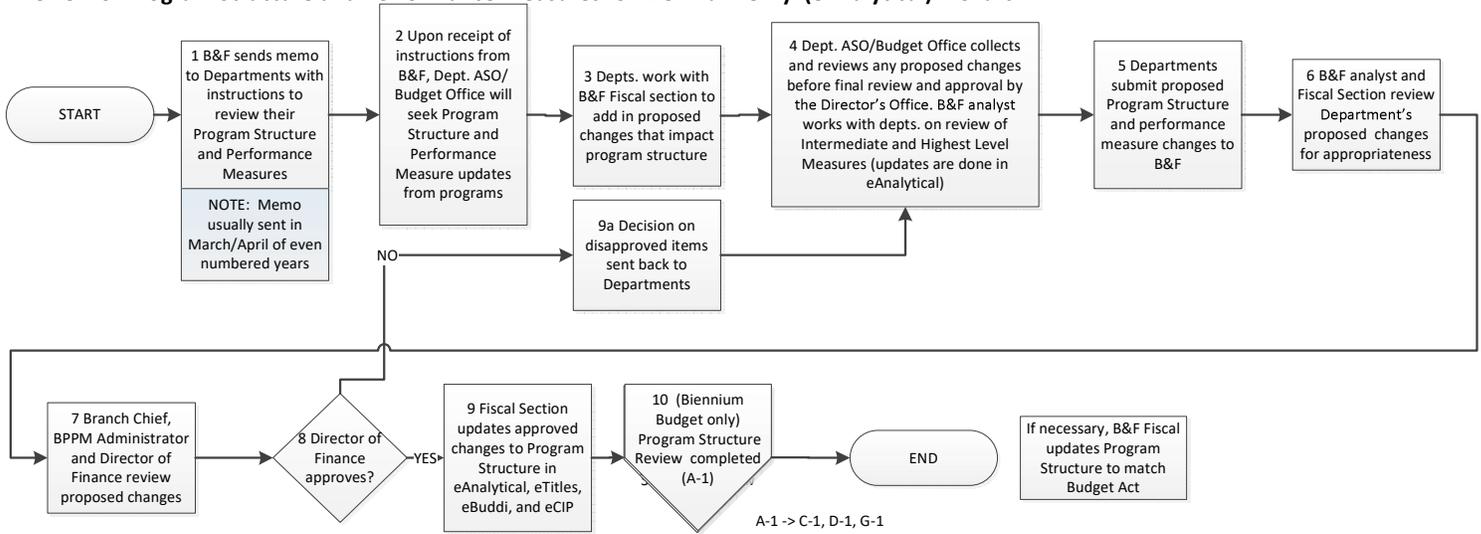
## **Attachment A**

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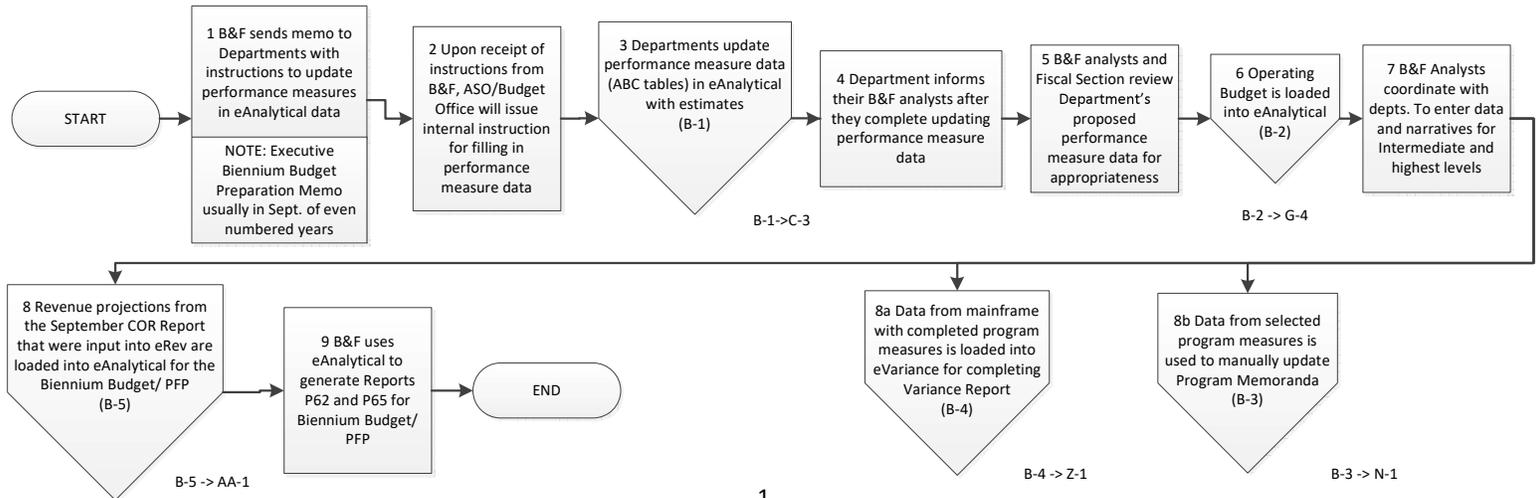
- Tab 1. Review of Program Structure and Performance Measures and Update (Biennium Only)
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# Review of Program Structure and Performance Measures and Update

Review of Program Structure and Performance Measures for Biennium Only (eAnalytical) - Chart A

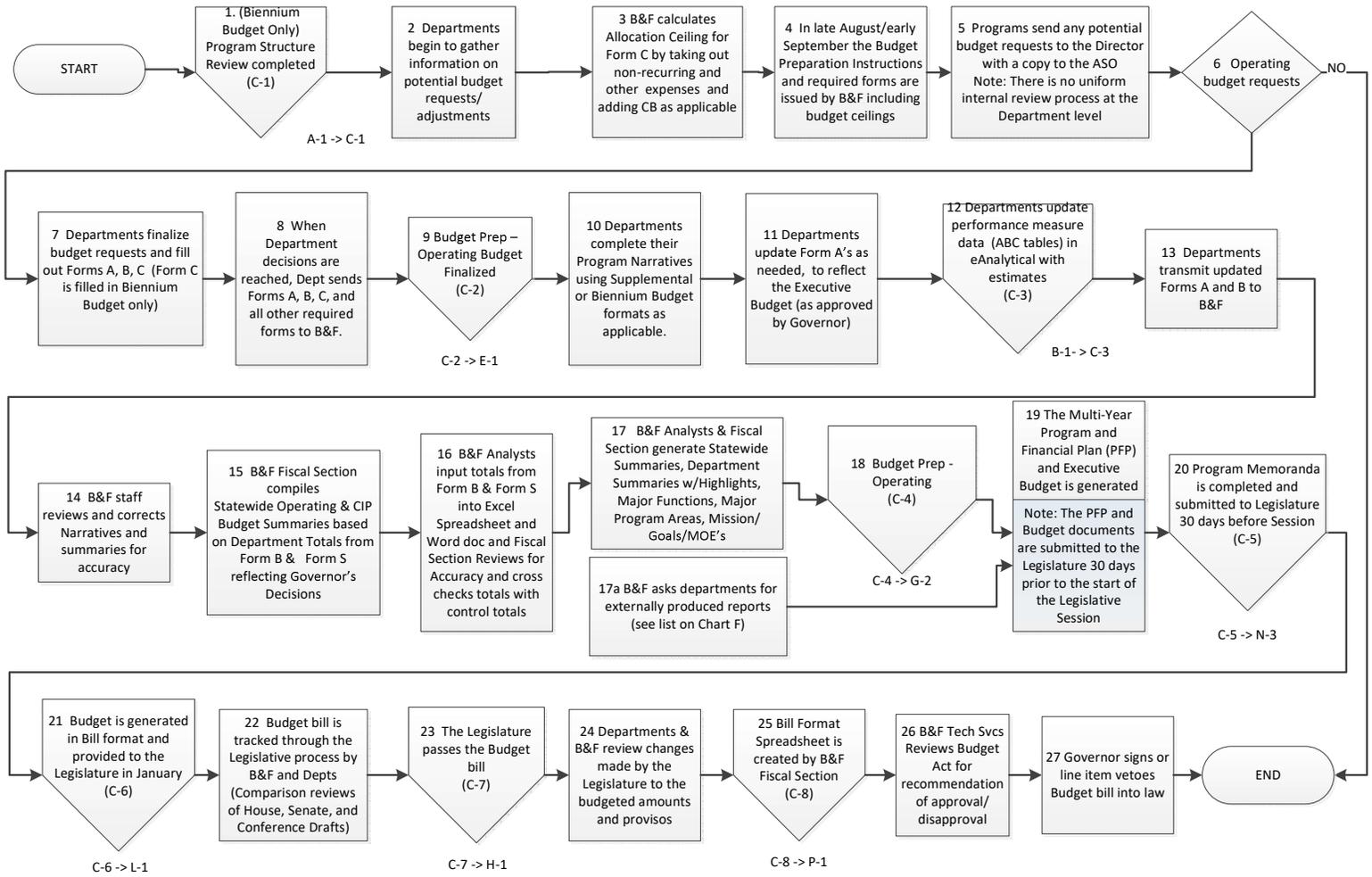


Update of Data in ABC Tables for Biennium Only (eAnalytical) – Chart B

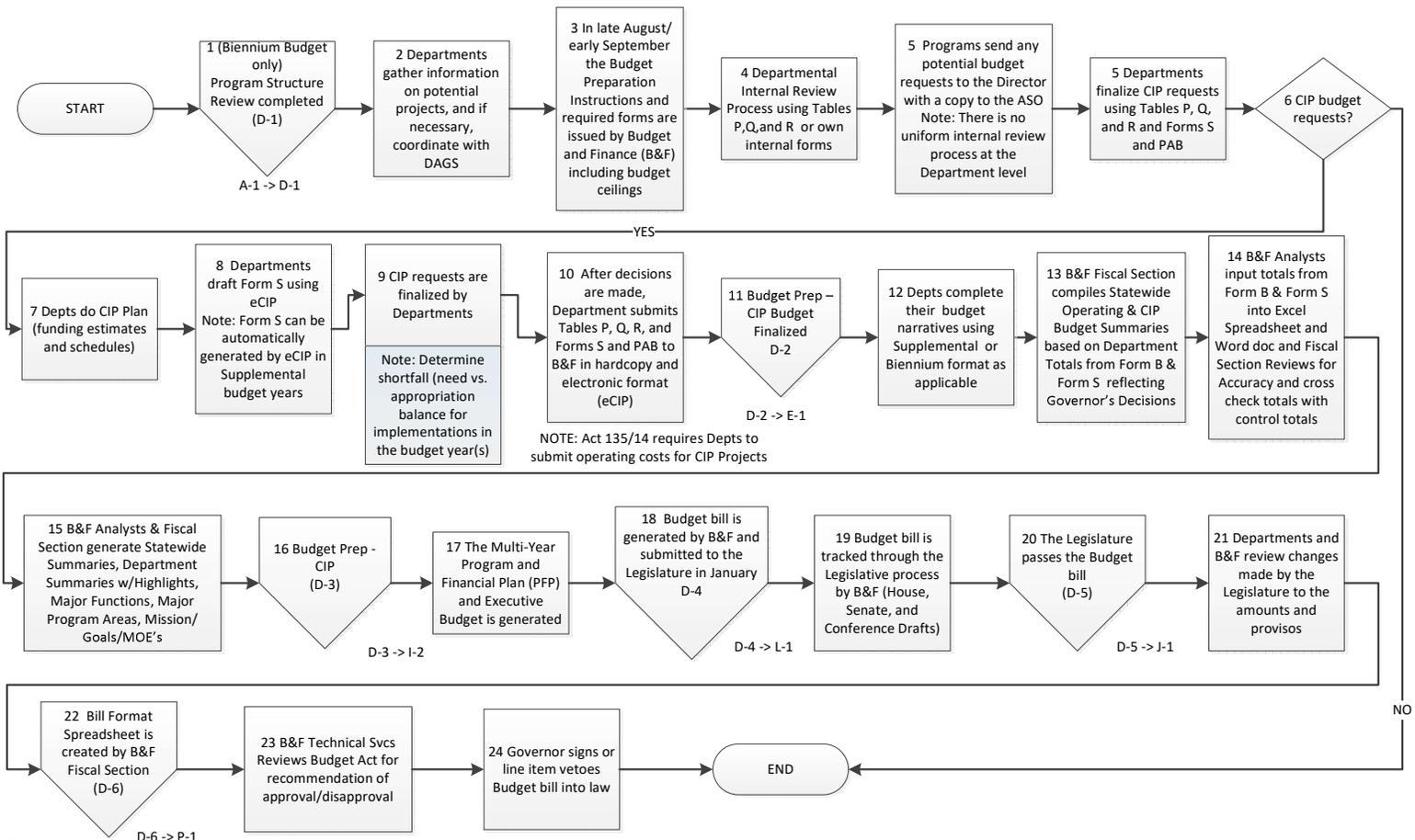


# Budget Preparation – Operating Budget – Chart C

Budget instructions are received from Dept. of Budget & Finance (B&F) in August/September. Budget requests are due to B&F in mid-October. Department will work backwards from that date to determine the submission date for the Programs (both Operating and CIP). Programs typically submit to ASO 1.5 weeks before due date to B&F.



# Budget Preparation – Capital Improvements (CIP) Budget – Chart D

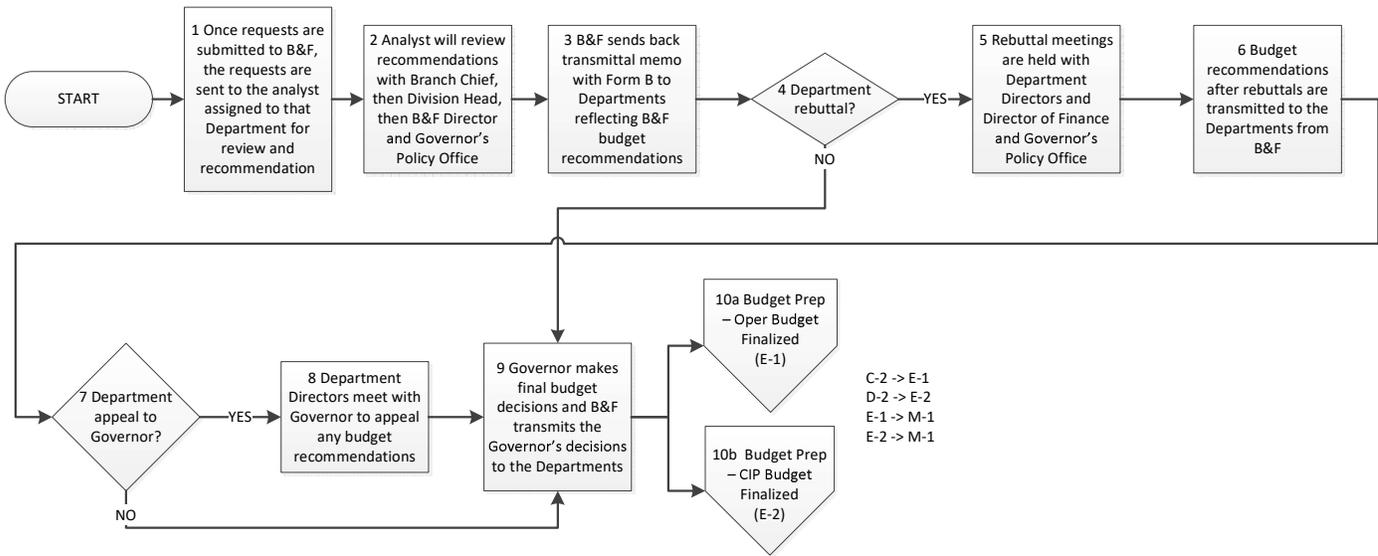


**NOTES:**

1. Table P is used for the appropriation, Table Q is used for the expenditures, Table R is the project justification.
2. Form PAB is needed due to the tax exempt status of the general obligation bonds.
3. Budget reports and documents include: Executive Budget and Program and Financial Plan (PFP) or Supplemental Budget Document.
4. Governor's Message items may be submitted to the Legislature during the Legislative session as addendum items to the budget. These items require all forms and tables.
5. After the Conference Draft of the budget is passed by the Legislature, the Governor has 45 days to sign the bill. 1

# Budget Prep – B&F Review

## Operating/CIP Budget – Chart E

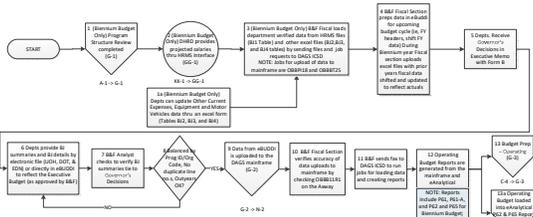


# Budget Reports and Documents

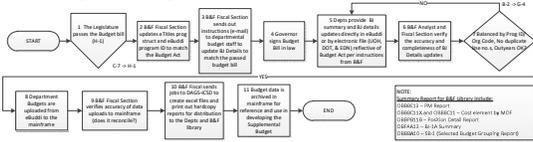
## List of Reports Used in the Budget Document – List F

- B&F Generated Reports Used for the Budget Document
- State Plan of Organization – printed from Visio with input from Office of the Governor
- Budget in Brief
- Statewide and Departmental Organization Charts – printed from Visio with input from Departments
- Various Statewide Summaries & Dept. Summary (Mission Statement, Dept. Goals) data from Excel printed from MS Powerpoint
- Major Functions and Major Program Areas – printed from MS Word
- Operating and CIP Budget Highlights – printed from MS Excel
- Biennium PFP
- PE2 Report – printed from eAnalyze, data entered in eAnalyze (Performance Measures & Program Revenues)
- PE5 Report – printed from eAnalyze, data entered in eAnalyze (Oper & Capital Budget by Major Prog Area & Intern Levels of the Prog Struct)
- PE1 Report – printed from mainframe, data entered from eBudget & eCIP (Oper & Capital Appropriations)
- 83 Report – printed from mainframe, data entered from eBudget and eCIP (Requested Appropriations – displayed in various different formats)
- 878 Report – printed from mainframe, data entered from eCIP (Required Capital Appropriations by Capital Project)
- PE1-A Report – printed from mainframe, data entered from eBudget & eCIP (Operating & Capital Expenditures)
- Supplemental Budget
- 561 Report – printed from mainframe, data entered from eBudget & eCIP (Executive Supplemental Budget)
- 578 Report – printed from mainframe, data entered from eCIP (Required Capital Appropriations by Capital Project)
- 561-A Report – printed from mainframe, data entered from eBudget & eCIP (Oper & Capital Exp. sorted in order by Dept, and Prog Struct)
- Special Fund Balances – printed from MS Excel
- State Financial Plans – printed from MS Excel (General Fund, Special Funds, All Funds)
- Historical Information – printed from MS Powerpoint & MS Excel
- How State Government is Financed – printed from MS Word
- General Fund Expenditure Calling and Appropriations – printed from MS Excel
- Table of Contents – printed from MS Excel
- Program Plan Narrative – printed from MS Word (Biennium PFP)
- Narrative for Supplemental Budget Request – printed from MS Word (Supplemental Budget)
- PE2-A Report – printed from MS Word
- Title pages (e.g., Dept. of Agriculture, etc.) – printed from MS Publisher
- State of Hawaii Program Structure (In structure order and in program id order) – printed from eTables
- Definition of Terms – printed from MS Word
- External Reports Used for the Budget Document (paper copies)
- Governor's Message – from Office of the Governor
- Economic Outlook and Tables Indicating the Basis for Revenue Estimates – from Dept. of Business, Economic Development & Tourism
- State Receipt and Revenue Plans, Bond Declaration – from Dept. of Taxation and B&F Financial Administration Division (FAD)

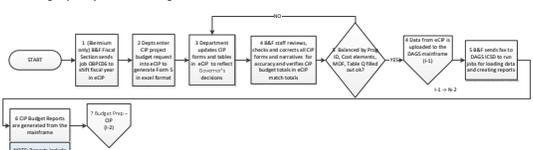
### Operating Budget (e-BUDD) Executive Budget – Chart G



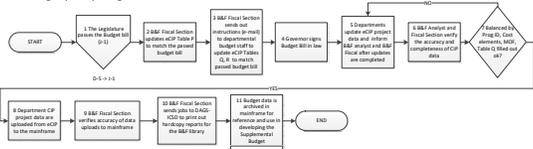
### Operating Budget (e-BUDD) Budget Act – Chart H



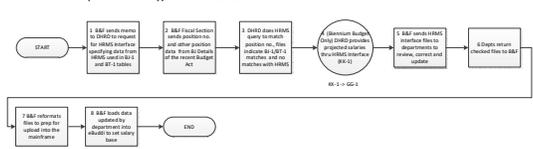
### CIP Budget (e-CIP) Executive Budget – Chart I



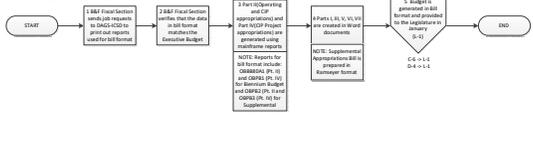
### CIP Budget (e-CIP) Budget Act – Chart J



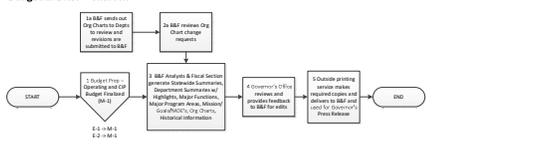
### HRMS Interface (Biennium Only) – Outside of B&F Process - Chart K



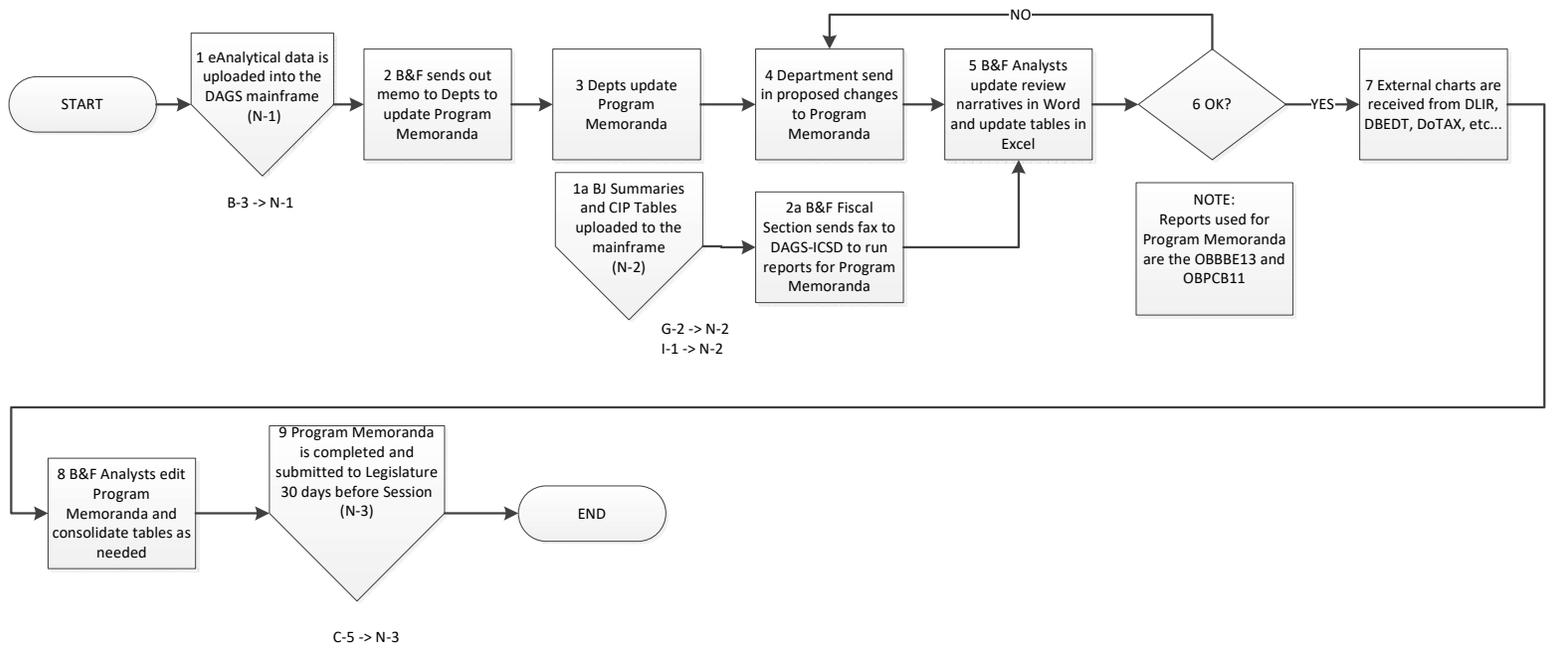
### Bill Format – Chart L



### Budget in Brief – Chart M



## Program Memoranda – Chart N

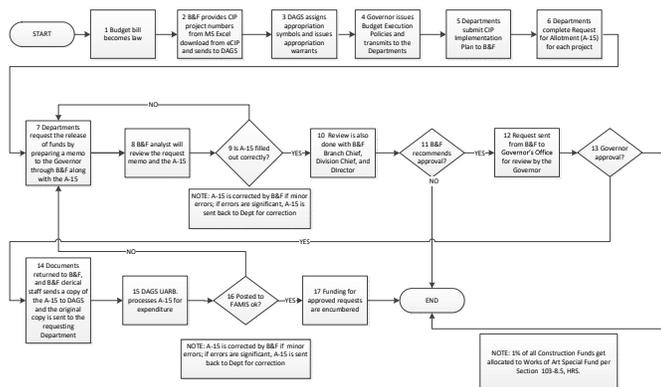




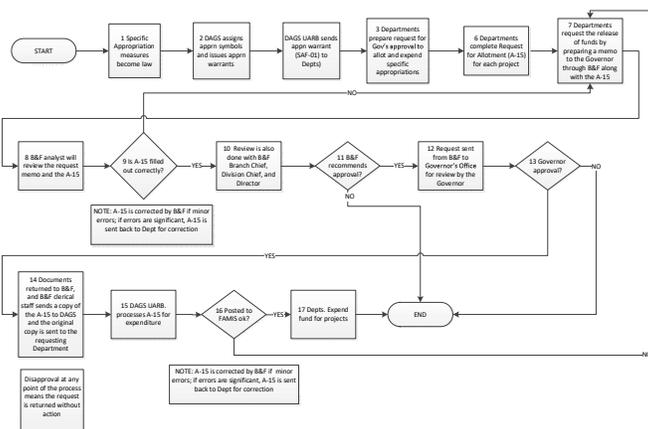
# Budget Execution – CIP Allotment

CIP Budget Allotment Process – Chart V

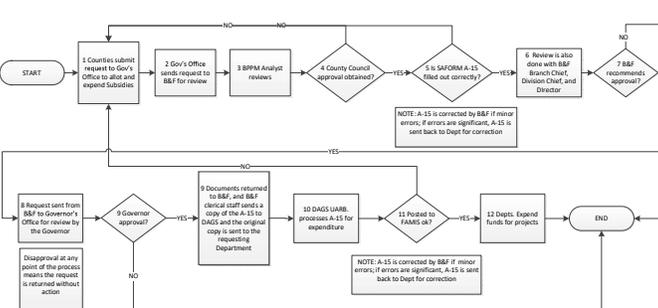
Budget Execution policies dictate what can be allotted for CIP (for example if a project has only planning and design).



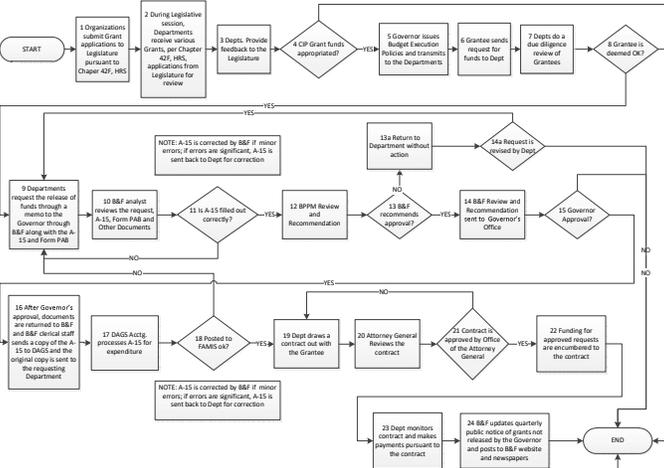
Specific Appropriations Allotment Process (CIP) – Chart W



Subsidies Allotment Process (CIP) – Chart X

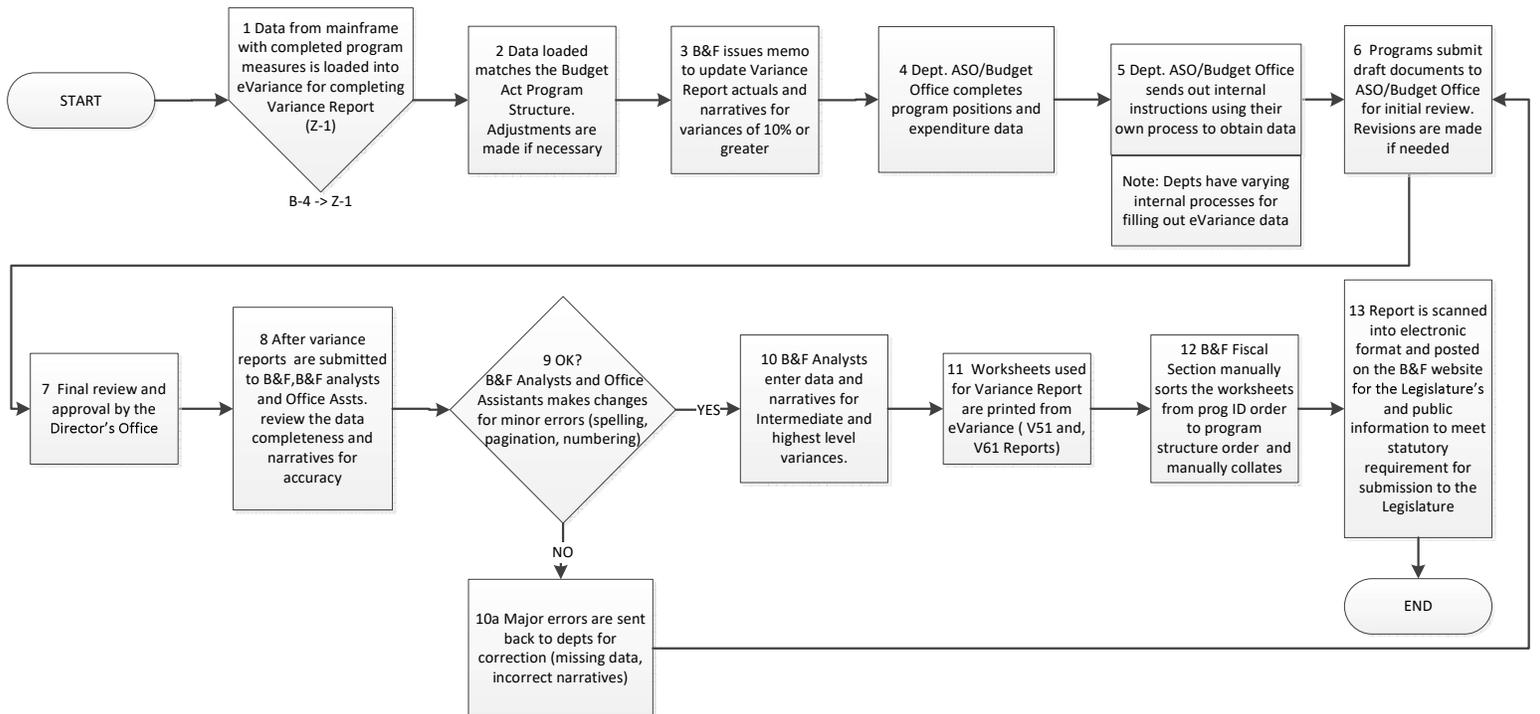


Grants (CIP) – Chart Y



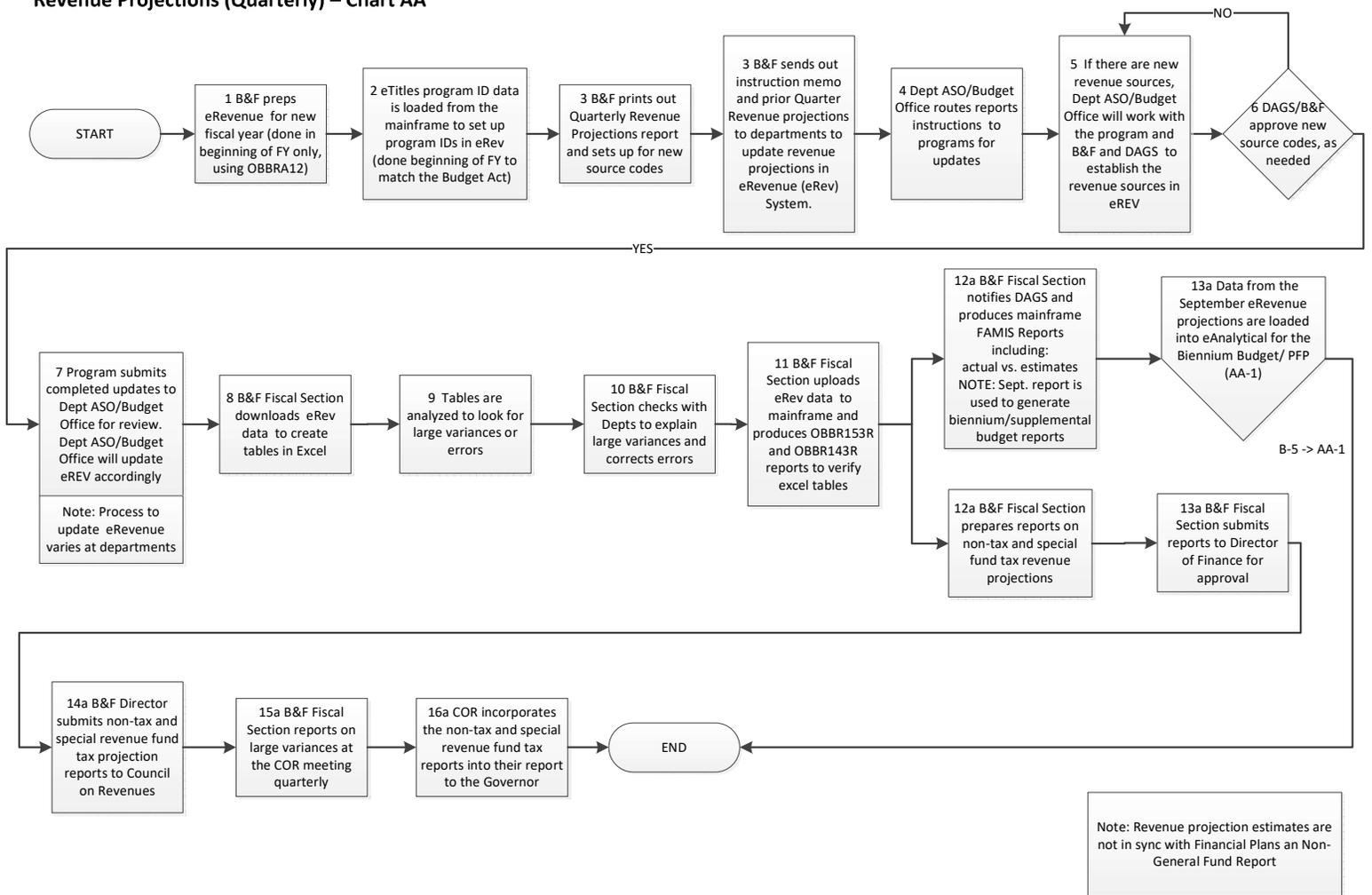
# Variance Report

## Variance Report (eVariance) – Chart Z

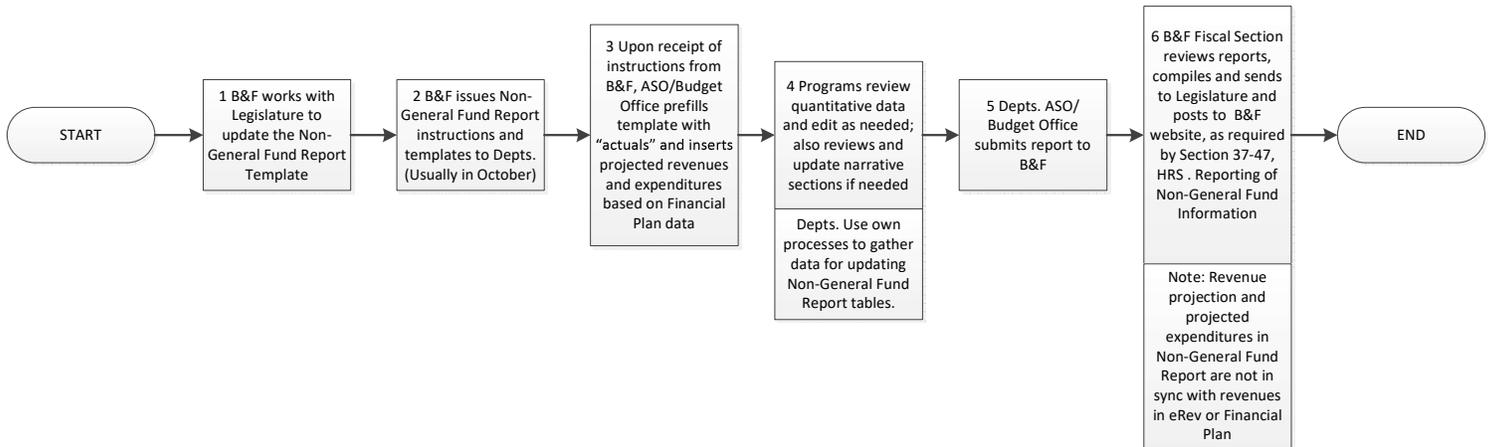


# Revenue Projections

## Revenue Projections (Quarterly) – Chart AA



# Non-General Fund Report – Chart BB

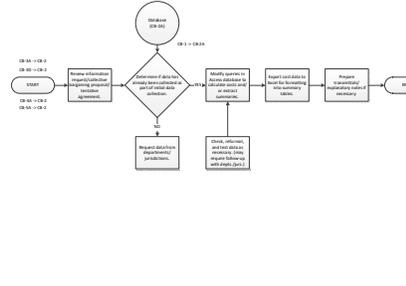


**Collective Bargaining Processes**

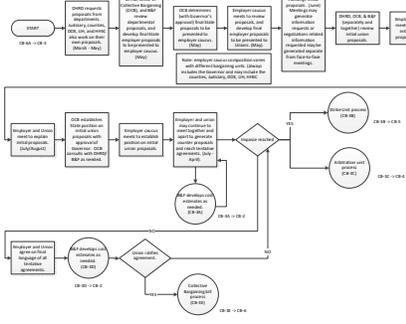
**CB Process - Database Preparation - Chart CB-1**



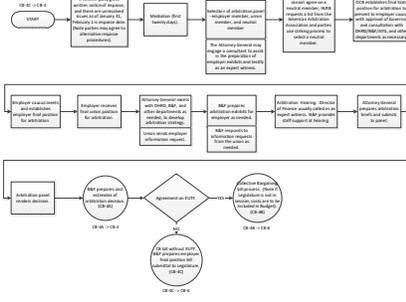
**CB Process - Cost Information - Chart CB-2**



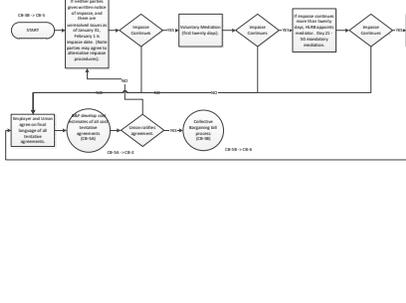
**CB Process - Negotiations - Chart CB-3**



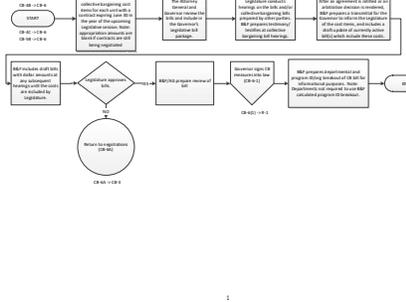
**CB Process - Arbitration - Chart CB-4**



**CB Process - Strike - Chart CB-5**



**CB Process - Collective Bargaining Bills - Chart CB-6**



## **Miscellaneous Other B&F Processes– List DD**

### **Special Fund Assessments**

**Central Services Report (pursuant to Section 36-27, HRS)**

**Departmental Administrative Expenses Report (pursuant to Section 36-30, HRS)**

**Statewide Cost Allocation Plan (SWCAP)**

**State Organization Chart Updates**

**Overtime Report**

**Transfers to the General Fund Report (37-46)**

**Transfers to OHA (Ceded Lands) report (Act 178, SLH 2006) (Executive Order 06-06)**

**Report on the status of Grants (pursuant to Section 42F-107, HRS)**

**Various reports to the Legislature (usually pursuant to a budget proviso)**

**Expenditure Ceiling Estimates (Section 37-94, HRS)**