



**INVITATION FOR BID**

FOR

**Statement of Economic Interests Enhanced Filing System**

**(SEFS)**

**IFB 8620-006**

December 21, 2015

Issued by:

**STATE OF CALIFORNIA**

Fair Political Practices Commission

428 J Street, Ste #620

Sacramento, CA 95814

Disclaimer: The original PDF version and any subsequent addendums of the solicitation released by the Procurement Official of this bid remain the official version. In the event of any inconsistency between the Bidder's versions, articles, attachments, specifications or provisions which constitute the Contract, the official State version of the solicitation in its entirety shall take precedence.

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## **1 INTRODUCTION AND OVERVIEW SECTION**

### **1.1 PURPOSE OF THIS INVITATION FOR BID**

The Fair Political Practices Commission (FPPC) was created by the Political Reform Act of 1974 (the Act) as an independent non-partisan agency whose objective is to prevent corruption of public officials in the governmental decision making process. The FPPC regulates and enforces actions performed by governmental officials and agencies and requires extensive disclosure reports to provide the public with access to government processes.

The FPPC has primary responsibility for the impartial and effective administration implementation of the Act. Generally, the Act regulates campaign financing and spending, financial conflicts of interest, lobbyist registration and reporting, and governmental ethics.

Relevant to this Invitation for Bid (IFB), those public officials whose decisions could affect their economic interests are required by law to file economic interest disclosure statements. Public officials disclose their private economic interests using a form provided by the FPPC titled "Statement of Economic Interests" (SEI) also known as "Form 700." The statements become public records after they are filed.

The FPPC is charged with the administration and enforcement of the SEI reporting requirements for all state and local agencies and filers. Currently, filers at various levels of state and local government submit an estimated 500,000 forms annually, which are funneled through an array of state and local agencies and certified private vendors. The FPPC is responsible for collecting and making available to the public, over 25,000 statements of economic interest from public officials throughout all levels of government across California.

The recommended approach is to contract with a software vendor to implement a Commercial-Off-the-Shelf (COTS) solution that may be hosted at the Department of Technology CalCloud or at a commercial cloud service provider. The primary benefits of the proposed system are the reduction of staff time through the improvements and elimination of manual processes and improvements to the ease of filing for state and local agency filers.

The goals of this acquisition are to:

- Develop and implement an online filing system capable of receiving, recording, storing, validating, and reporting electronically filed SEI forms. In the first year, 2016, the system shall be capable of supporting the electronic filing of 25,000 SEI forms.
- Develop and implement a public internet web portal for viewing SEI filings within the required time frame as required by Regulations.
- Develop and implement automated validation routines that will ensure 100% of required fields are completed on electronically filed SEIs prior to submission, thereby reducing the need for manual validation of SEIs, except for SEIs filed on paper. SEI forms filed on paper will continue to require staff to perform manual review and data entry of key fields.

- Reduce staff time to produce, mail, and follow-up on SEI amendment and correction letters to filers.

## **1.2 BACKGROUND**

The SEI reporting process provides transparency and ensures accountability in two ways: 1) it provides necessary information to the public about a public official's personal financial interests to ensure that officials are making decisions that do not enhance their personal finances, and 2) it serves as a reminder to the public official of potential conflicts of interests so the official can abstain from making or participating in governmental decisions that are deemed conflicts of interest.

In 2012, the Legislature authorized all state and local agencies to develop SEI electronic filing systems, so long as the agency complies with Commission rules. Numerous state and local agencies have already implemented automated systems to support the submission and management of SEIs in their agencies. The FPPC directly receives SEIs for approximately 25,000 high-level state, county, and city officials such as elected officials, judges, and state agency and department leaders. Currently these directly filed paper and PDF forms are processed completely manually at the FPPC and require several full-time staff members to administer.

The FPPC's SEI Unit has primary responsibility for administering the SEI program and is comprised of one full-time Staff Services Manager, four full-time Staff Services Analysts, one Associate Government Program Analyst and a Technical Assistant II. A seasonal clerk is hired for 3-4 months and a student intern is employed year-round on a part-time basis.

The SEI Unit's duties include acting as a liaison to the filing officers in other agencies, logging the SEIs received, reviewing the SEIs to ensure compliance, requesting SEI amendments from filers, assessing late fines, referring non-filers to the Enforcement Division, and making available for review any SEIs requested by the public. In addition, SEI Unit staff manually scan, redact, and post SEIs for approximately 2,000 judges, 180 legislators and Constitutional officers, 300 county supervisors, and 2,500 city council members.

In addition, since 2013, the FPPC has been responsible for certifying electronic filing systems for any agency that would like to accept SEIs electronically. The FPPC reviews and tests each system to ensure that instructions are complete and accurate and the information required by the system is consistent with the Act's requirements.

## **1.3 TERM OF CONTRACT**

Effective upon approval of the California Department of Technology (CDT), Statewide Technology Procurement Division (STPD), the term of the contract is three (3) years for implementation, with an estimated start date of March 25, 2016. The State, at its sole discretion, may exercise its option to execute four (4), one-year extensions to perform on-going maintenance and operations for a maximum contract term of seven (7) years.

#### 1.4 SCOPE OF THE SOLICITATION AND BIDDER ADMONISHMENT

This solicitation is being conducted under the policies and procedures developed by the California Department of Technology as provided under Public Contract Code Section 12102 et seq. This solicitation contains the instructions governing the requirements for a firm-fixed price to be submitted by interested Bidders. The format that bid information is to be submitted and the material to be included therein follows. This solicitation also addresses the requirements that Bidders must meet to be eligible for consideration, as well as addressing Bidders' responsibilities before and after award.

If the Bidder expects to be afforded the benefits of the steps included in this solicitation, the Bidder must take the responsibility to:

- Carefully read the entire solicitation.
- Ask appropriate questions in a timely manner, if clarification is necessary.
- Submit all required responses, complete to the best of the Bidder's ability, by the required dates and times.
- Make sure that all procedures and requirements of the solicitation are accurately followed and appropriately addressed.
- Carefully re-read the entire solicitation before submitting a Final Bid.

#### 1.5 AVAILABILITY

The selected Contractor must meet the requirements of this solicitation and be available to start work on or before the Contract Execution dates specified in Section 1.7, KEY ACTION DATES.

#### 1.6 PROCUREMENT OFFICIAL AND CONTACT INFORMATION

Bidders are directed to communicate with the Procurement Official at the address below to submit questions, deliver Bids, and submit all other formal correspondence regarding this procurement.

Sandra Morales, Procurement Official

Phone: (916) 431-5357, Email: [sandra.morales@state.ca.gov](mailto:sandra.morales@state.ca.gov)

**Table 1-1: Procurement Official and Contact Information**

<b>Hand Delivered Bid, Parcel Post (FedEx, UPS, etc.)</b>	<b>United States Postal Service (USPS)</b>
Department of Technology Statewide Technology Procurement Division Attn: Sandra Morales, Procurement Official 10860 Gold Center Drive, Suite 200 – Security Desk Rancho Cordova, CA 95670	Department of Technology Statewide Technology Procurement Division Attn: Sandra Morales, Procurement Official Mail Stop Y12 P.O. Box 1810 Rancho Cordova, CA 95741-1810

## 1.7 KEY ACTION DATES

Listed below are the important actions and dates and times by which the actions must be taken or completed. If the State finds it necessary to change any of these dates, it will be accomplished via an addendum to this solicitation.

**Table 1-2: Key Action Dates**

Key Action Dates		
Item	Action	Date and Time
1.	Release of Solicitation	December 21, 2015
2.	Last day to submit Exhibit 1, Intent to Bid, and Exhibit 2, signed Confidentiality Statement	December 28, 2015
3.	Last day to request a meeting with OTech	December 31, 2015
4.	OTech meetings with Bidders <sup>2</sup>	January 4 – 15, 2016
5.	Last day to submit written questions using Attachment 1 and request changes to requirements using Attachment 2 <sup>1</sup>	January 19, 2016
6.	State's response to submitted Bidder questions and request for change in the requirements	January 20-26, 2016
7.	Last day to protest solicitation requirements <sup>1</sup>	February 3, 2016
8.	Last day to submit Final Bid	February 9, 2016
9.	Evaluation Period <sup>6</sup>	February 10-12, 2016
10.	Public Cost Opening	February 23, 2016
11.	Notification of Intent to Award	March 2, 2016
12.	Last day to protest selection <sup>5</sup>	March 4, 2016
13.	Contract Award	March 7, 2016
14.	Contract Execution	March 9, 2016

Additional action dates may be inserted/deleted, as necessary. The footnote numbers below should be as needed.

<sup>1</sup> Or five (5) business days following the last Addendum that changes the requirements of the solicitation.

<sup>2</sup> Actual dates to be determined when the number of Bidders is known.

<sup>3</sup> All dates after submission of Final Bid are approximate and may be adjusted as conditions indicate without addendum to this solicitation.

<sup>4</sup> This key action is an optional step in the solicitation process

<sup>5</sup> See Subsection 2.7, PROTESTS.

<sup>6</sup> Based on the number of Bids received.

## **1.8 OFFICE OF TECHNOLOGY SERVICES DISCUSSIONS**

The Office of Technology Services (OTech) may be responsible for hosting the SEFS project. Bidders will be provided the opportunity to meet and discuss their solution approach with OTech technical representatives to assist Bidders in understanding the data center's service offerings, rates, and standards. It is highly recommended that each Bidder meet with OTech prior to the submission of its Final Bid to allow OTech to address any questions the Bidder may have to ensure its proposed solution is fully responsive to the requirements of this solicitation. These meetings will be conducted in a confidential manner for all Bidders. The Bidder must submit an OTech meeting request to the Procurement Official prior to the deadline listed in Section 1.7, KEY ACTION DATES in order to guarantee a meeting with OTech prior to the Final Bid submission deadline. OTech technical representatives will also be available for follow-up discussion, if necessary, following Confidential Discussions with Bidders, in accordance with the deadlines listed in Section 1.7, KEY ACTION DATES. OTech may also initiate discussions with Bidders through the Procurement Official.

During OTech meetings, both the State and the Bidder may take written notes. There will not be an official transcript of the proceedings. If a Bidder has any outstanding issues or needs for clarification subsequent to a meeting, the Bidder is advised to submit questions in writing to the Procurement Official for resolution and/or clarification prior to submission of the Final Bid, in accordance with Section 1.7, KEY ACTION DATES. Oral statements made shall not obligate either party.

Bidders should submit questions, diagrams, etc. to the Procurement Official in advance of the scheduled discussion date, in accordance with the deadline listed in Section 1.7, KEY ACTION DATES to facilitate productive sessions with OTech. Bidder meetings with OTech will be scheduled in advance for a block of three hours. Each Bidder will be notified by email with its assigned date and time. Bidders may request a follow up meeting with OTech, if needed.

Bidders may request follow-up meetings with OTech following Confidential Discussions and prior to the Final Bid due date, in accordance with Section 1.7, KEY ACTION DATES, if desired. Additional information regarding OTech service offerings and rates is provided in the Bidders' Library.

## **1.9 ATTACHMENTS**

The following attachments to this solicitation are informational for use in the solicitation process and may not need to be submitted with the Bidder's solicitation response:

**Attachment 1 – Template for Question Submittal.** This attachment provides the format for which a Bidder shall submit questions regarding this solicitation.

**Attachment 2 – Template for Request for Changes Submittal.** This attachment provides the format for which a Bidder shall submit requests for changes to this solicitation.

**Attachment 3 – Bid Submission Checklist.** This attachment references items to be submitted as part of the Final Bid Submission, but is not guaranteed to include all necessary items.

## **Attachment 4 – Procedures for conducting protests under the Alternative Protest Process.**

### **1.10 BIDDERS' LIBRARY**

The State will make available a library containing reference documentation Bidders may review and use to prepare their bids. The Bidders' Library is accessible using the following URL:

<http://www.fppc.ca.gov/about-fppc/business-opportunities.html>

Bidders' Library Contents and Links contains a list of contents of the items physically located in the Bidders' Library as well as links to documents and sites referenced in this solicitation.

Bidders are encouraged to review the information in the Bidders' Library to gain a thorough understanding of the SEFS project. It is each Bidder's responsibility to check for updates to the Bidders' Library.

### **1.11 AMERICANS WITH DISABILITIES ACT (ADA)**

To comply with the nondiscrimination requirements of ADA, it is the policy of the State to make every effort to ensure that its programs, activities, and services are available to all persons, including persons with disabilities.

For persons with a disability needing a reasonable accommodation to participate in the procurement process, or for persons having questions regarding reasonable accommodations of the procurement process, you may contact the Procurement Official identified in Section 1.6. You may also contact the State at the numbers listed below.

**Important:** to ensure that we can meet your need, it is best that we receive your request for reasonable accommodations at least 10 working days before the scheduled event, e.g., meeting, conference, workshop, etc., or deadline due-date for procurement documents.

#### **The California Relay Service Telephone Numbers are:**

Voice: 1-800-735-2922 or 1-888-877-5379

TTY: 1-800-735-2929 or 1-888-877-5378

Speech to Speech: 1-800-854-7784

## **2 RULES GOVERNING COMPETITION SECTION**

### **2.1 IDENTIFICATION AND CLASSIFICATION OF SOLICITATION DOCUMENT REQUIREMENTS**

#### **2.1.1 Requirements**

The State has established certain requirements with respect to bids to be submitted by prospective Contractors. The use of "shall," "must," or "will" (except to indicate simple futurity) in the solicitation document indicates a requirement or condition which is mandatory. A deviation from a requirement is material if the deficient response is not in substantial accord with the solicitation document requirements, provides an advantage to one Bidder over other Bidders, or

has a potentially significant effect on the delivery, quantity or quality of items bid, amount paid to the supplier, or on the cost to the State. Material deviations cannot be waived. A deviation, if not material, may be waived by the State.

### **2.1.2 Desirable Items**

The words “should” or “may” in the solicitation document indicate desirable attributes or conditions, but are non-mandatory in nature. Deviation from, or omission of, such a desirable feature, will not in itself cause rejection of the Bid.

## **2.2 BIDDING REQUIREMENTS AND CONDITIONS**

### **2.2.1 General**

This solicitation document, the evaluation of responses, and the award of any resultant contract shall be made in conformance with current competitive bidding procedures as they relate to the procurement of goods and services by public bodies in the State of California. A Bidder’s Final Bid is an irrevocable offer for 120 days following the scheduled date for Submission of Final Bids specified in Section 1.7, KEY ACTION DATES. A Bidder may extend the offer in the event of a delay of contract award.

### **2.2.2 Solicitation Document**

This solicitation document includes, in addition to an explanation of the State’s needs which must be met, instructions which prescribe the format and content of bids to be submitted and the model(s) of the contract(s) to be executed between the State and the successful Bidder(s).

If a Bidder discovers any ambiguity, conflict, discrepancy, omission, or other error in this solicitation document, the Bidder shall immediately notify the Procurement Official identified in Section 1.6 of such error in writing and request clarification or modification of the document.

Modifications will be made by addenda issued pursuant to Subsection 2.2.6, Addenda. Such modifications shall be given by written notice to all parties who have identified themselves as Bidders to the Procurement Official identified in Section 1.6, without divulging the source of the request for same. Insofar as practicable, the State will give such notices to other interested parties, but the State shall not be responsible therefore.

If the solicitation document contains an error known to the Bidder, or an error that reasonably should have been known, the Bidder shall bid at its own risk. If the Bidder fails to notify the State of the error prior to the date fixed for submission of bids, and is awarded the contract, the Bidder shall not be entitled to additional compensation or time by reason of the error or its later correction.

### **2.2.3 Examination of the Work**

The Bidder should carefully examine the entire solicitation document and any addenda thereto, and all related materials and data referenced in the solicitation document or otherwise available to the Bidder, and should become fully aware of the nature and location of the work, the quantities of the work, and the conditions to be encountered in performing the work. Specific conditions to be examined may be listed in Section 5, ADMINISTRATIVE REQUIREMENTS and/or Section 6, BUSINESS, FUNCTIONAL AND TECHNICAL REQUIREMENTS.

#### **2.2.4 Questions Regarding the Solicitation Document**

Bidders requiring clarification of the intent or content of this solicitation or on procedural matters regarding the competitive bid process may request clarification by submitting questions, in an email or envelope clearly marked "Questions Relating to IFB 8620-006" (using the IFB identification on the solicitation title page), to the Procurement Official listed in Section 1.6. To ensure a response, questions must be received in writing by the scheduled date(s) given in Section 1.7, KEY ACTION DATES. Question and answer sets will be provided to all Bidders without identifying the submitters. At the sole discretion of the State, questions may be paraphrased by the State for clarity.

A Bidder who desires clarification or further information on the content of the solicitation, but whose questions relate to the proprietary aspect of that Bidder's bid and which, if disclosed to other Bidders, would expose that Bidder's bid, may submit such questions in the same manner as above, but also marked "CONFIDENTIAL," and not later than the scheduled date specified in Section 1.7, KEY ACTION DATES to ensure a response. The Bidder must explain why any questions are sensitive in nature. If the State concurs that the disclosure of the question or answer would expose the proprietary nature of the bid, the question will be answered and both the question and answer will be kept in confidence. If the State does not concur with the proprietary aspect of the question, the question will not be answered in this manner and the Bidder will be so notified.

If the Bidder believes that one or more of the solicitation requirements is onerous, unfair, or imposes unnecessary constraints to the Bidder in proposing less costly or alternate solutions, the Bidder may request a change to the solicitation by submitting, in writing, the recommended change(s) and the facts substantiating this belief and reasons for making the recommended change. Such request must be submitted to the Procurement Official by the date specified in Section 1.7, KEY ACTION DATES for submitting a request for change. Oral responses shall not be binding on the State.

#### **2.2.5 Intent to Bid**

Bidders that want to participate in the solicitation should submit a completed Exhibit 1, Intent to Bid by the date specified in Section 1.7, KEY ACTION DATES. This document may be mailed or emailed to the Procurement Official identified in Section 1.6. Only those Bidders acknowledging interest in this solicitation will receive correspondence throughout this procurement. Correspondence to a Bidder regarding this solicitation will only be given to the Bidder's designated contact person. It shall be the Bidder's responsibility to immediately notify the Procurement Official identified in Section 1.6, in writing, regarding any revision to the contact person information. The State shall not be responsible for bid correspondence not received by the Bidder if the Bidder fails to notify the State, in writing, about any change pertaining to the designated contact person.

#### **2.2.6 Addenda**

The State may modify the solicitation prior to the date fixed for Contract Award by issuance of an addendum to all Bidders who are participating in the bidding process at the time the addendum is issued. Addenda will be numbered consecutively.



If a Bidder determines that an addendum unnecessarily restricts its ability to bid, the Bidder is allowed five (5) business days to submit a protest to the addendum according to the instructions contained in Subsection 2.7.1, Requirements Protests.

### **2.2.7 Plastic Trash Bag Certification Violations**

Public Resources Code Section 42290 et seq. prohibits the State from contracting with any supplier, manufacturer, or wholesaler, and any of its divisions, subsidiaries, or successors that have been determined to be noncompliant to the recycled content plastic trash bag certification requirements. This includes award of a State contract or subcontract or renewal, extension, or modification of an existing contract or subcontract. Prior to award the State shall ascertain if the intended awardee or proposed Subcontractor is a business identified on the current California Integrated Waste Management Board noncompliant list(s). In the event of any doubt of the status or identity of the business in violation, the State will notify the Board of the proposed award and afford the Board the opportunity to advise the State. No award will be made when either the Bidder or a Subcontractor has been identified either by published list or by advice from the Board, to be in violation of certification requirements.

### **2.2.8 Discounts**

In connection with any discount offered, except when a provision is made for a testing period preceding acceptance by the State, time will be computed from the date of delivery of the supplies or equipment as specified, or from date correct invoices are received in the office specified by the State if the latter date is later than the date of delivery. When a provision is made for a testing period preceding Acceptance by the State, the date of delivery shall mean the date the supplies or equipment are accepted by the State during the specified testing period. Payment is deemed made, for the purpose of earning the discount, on the date of mailing the State warrant or check.

Cash discounts offered by Bidders for the prompt payment of invoices will not be considered in evaluating offers for award purposes; however, all offered discounts will be taken if the payment is made within the discount period, even though not considered in the evaluation of offers.

### **2.2.9 Air or Water Pollution Violations**

Unless the contract is less than \$25,000 or with a non-competitively bid Contractor, Government Code Section 4477 prohibits the State from contracting with a person, including a corporation or other business association, who has been determined to be in violation of any state or federal air or water pollution control law.

Prior to an award, the State shall ascertain if the intended awardee is a person included in notices from the Boards. In the event of any doubt of the intended awardee's identity or status as a person who is in violation of any state or federal air or water pollution law, the State will notify the appropriate Board of the proposed award and afford the Board the opportunity to advise the Department that the intended awardee is such a person.

No award will be made to a person who is identified either by the published notices or by advice, as a person in violation of state or federal air or water pollution control laws.

### **2.2.10 Fair Employment and Housing Commission Regulations**

The California Government Code Section 12990 requires all State contractors to have implemented a Nondiscrimination Program before entering into any contract with the State. The Department of Fair Employment and Housing (DFEH) randomly selects and reviews State contractors to ensure their compliance with the law. DFEH periodically disseminates a list of contractors who have not complied. Any contractor so identified is ineligible to enter into any State contract.

### **2.2.11 Exclusion for Conflict of Interest**

No consultant shall be paid out of State funds for developing recommendations on the acquisition of information technology (IT) products or services or assisting in the preparation of a feasibility study, if that consultant is to be a source of such acquisition or could otherwise directly and/or materially benefit from State adoption of such recommendations or the course of action recommended in the feasibility study. Further, no consultant shall be paid out of State funds for developing recommendations on the disposal of State surplus IT products, if that consultant would directly and/or materially benefit from State adoption of such recommendations.

A consultant shall not be eligible to serve as the Prime Contractor or Subcontractor pursuant to this solicitation if the Contractor/Subcontractor is currently working on the solicitation in an Independent Verification and Validation (IV & V) role.

### **2.2.12 Seller's Permit**

This solicitation document is subject to all requirements set forth in Sections 6452, 6487, 7101 and 18510 of the Revenue and Taxation Code, and Section 10295 of the Public Contract Code (PCC), requiring contractors to provide a copy of their retailer's seller's permit or certification of registration, and, if applicable, the permit or certification of all participating affiliates issued by the State of California's Board of Equalization. Unless otherwise specified in this solicitation document, a copy of the retailer's seller's permit or certification of registration, and, if applicable, the permit or certification of all participating affiliates must be submitted within five (5) State business days of the State's request.

### **2.2.13 Disclosure of Financial Interests**

Bids in response to State procurements for assistance in preparation of feasibility studies or the development of recommendations for the acquisition of IT products and services must disclose any financial interests (e.g., service contract, Original Equipment Manufacturer (OEM) agreements, remarketing agreements, etc.) that may foreseeably allow the individual or organization submitting the bid to materially benefit from the State's adoption of a course of action recommended in the feasibility study or the acquisition recommendations. If, in the State's judgment, the financial interest will jeopardize the objectivity of the recommendations, the State may reject the proposal.

### **2.2.14 Unfair Practices Act and Other Laws**

Bidder warrants that its bid complies with the Unfair Practices Act (Business and Professions Code Section 17000 et seq.) and all applicable State and Federal laws and regulations.

## **2.3 BIDDING STEPS**

### **2.3.1 General**

The procurement process to be used in this solicitation is composed of at least one phase of bid development. Refer to Section 1.7, KEY ACTION DATES to determine which phases and steps are included in this solicitation document.

The Final Bid is a mandatory step for all Bidders; all other steps are optional unless otherwise stated in Section 1.7, KEY ACTION DATES. However, all Bidders are strongly encouraged to follow the scheduled steps of this procurement document in order to submit a compliant Final Bid. **Costs submitted in any submission other than the Final Bid may preclude the Bidder from continuing in the process.**

### **2.3.2 Final Phase**

The purpose of the Final Phase is to obtain bids that are responsive in every respect.

#### **2.3.2.1 Final Bid**

The Final Bid must be complete, including all cost information, required signatures, contract language changes agreed to in writing and corrections to those defects noted by the State in its review of the Final Bid. If required in the solicitation document, cost data (as identified in Section 8, BID FORMAT must be submitted under separate, sealed cover. Changes that appear in the Final Bid, other than correction of defects, increase the risk that the Final Bid may be found defective.

### **2.3.3 Confidentiality**

Bidder material becomes public only after the notice of Intent to Award is released. If material marked "confidential," "proprietary," or "trade secret" is requested pursuant to the Public Records Act, the State will make an independent assessment whether it is exempt from disclosure. If the State disagrees with the Bidder, the State will notify the Bidder and give them a reasonable opportunity to justify their position or obtain a court order protecting the material from disclosure.

Bidders should be aware that marking a document "confidential" or "proprietary" in a Final Bid may exclude it from consideration for award and will not keep that document from being released after notice of award as part of the public record, unless a court has ordered the State not to release the document. The content of all working papers and discussions relating to the Bidder's bid shall be held in confidence indefinitely, unless the public interest is best served by an item's disclosure because of its direct pertinence to a decision, agreement or the evaluation of the Bid.

Any disclosure of confidential information by the Bidder is a basis for rejecting the Bidder's bid and ruling the Bidder ineligible to further participate. Any disclosure of confidential information by a State employee is a basis for disciplinary action, including dismissal from State employment, as provided by Government Code section 19570 et seq. Total confidentiality is paramount; it cannot be over emphasized.

### **2.3.4 Disposition of bids**

All materials submitted in response to this solicitation document will become the property of the State of California and will be returned only at the State's option and at the Bidder's expense. At a minimum, the Master Copy of the Final Bid shall be retained for official files and will become a public record after the Notification of Intent to Award as specified in Section 1.7, KEY ACTION DATES. However, materials the State considers confidential information (such as confidential financial information submitted to show Bidder responsibility) will be returned upon request of the Bidder.

## **2.4 SUBMISSION OF BIDS**

The instructions contained herein apply to the Final Bid.

### **2.4.1 Preparation**

Bids are to be prepared in such a way as to provide a straightforward, concise delineation of capabilities to satisfy the requirements of this solicitation document. Expensive bindings, colored displays, promotional materials, etc., are not necessary or desired. Emphasis should be concentrated on conformance to the solicitation document instructions, responsiveness to the solicitation document requirements, and completeness and clarity of content.

### **2.4.2 Bidders Cost**

Costs for developing bids are the responsibility entirely of the Bidder and shall not be chargeable to the State.

### **2.4.3 Completion of Bids**

Bids must be complete in all respects as required by Section 8, BID FORMAT. A Final Bid may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. A Final Bid must be rejected if any such defect or irregularity constitutes a material deviation from the solicitation document requirements. The Final Bid must contain all costs as required by Section 7, COST and Section 8, BID FORMAT. (Final Bids must contain all information required except cost.)

### **2.4.4 False or Misleading Statements**

Bids which contain false or misleading statements, or which provide references which do not support an attribute or condition claimed by the Bidder, may be rejected. If, in the opinion of the State, such information was intended to mislead the State in its evaluation of the bid, and the attribute, condition, or capability is a requirement of this solicitation document, it will be the basis for rejection of the bid.

### **2.4.5 Signature of Bid**

A cover letter (which shall be considered an integral part of the Final Bid) and Standard Agreement STD 213, or any Bid Form shall be signed by an individual who is authorized to bind the bidding firm contractually. The signature block must indicate the title or position that the individual holds in the firm. An unsigned Final Bid may be rejected.

#### **2.4.6 Delivery of Bids**

Mail or deliver bids to the Procurement Official listed in Section 1.6. If mailed, it is suggested that you use certified or registered mail with return receipt requested as delivery of documents is at the Bidder's own risk of untimely delivery, lost mail, etc. Refer to Section 8, BID FORMAT for complete instructions.

#### **2.4.7 Withdrawal and Resubmission/Modification of Bids**

A Bidder may withdraw its Final Bid at any time prior to the bid submission date and time specified in Section 1.7, KEY ACTION DATES by submitting a written notification of withdrawal signed by an authorized representative of the Bidder in accordance with Subsection 2.4.5 (Signature of Bid). The Bidder may thereafter submit a new or modified bid prior to such bid submission date and time. Modification offered in any other manner, oral or written, will not be considered. Other than as allowed by law, Final Bids cannot be changed or withdrawn after the date and time designated for receipt, except as provided in the solicitation document.

### **2.5 EVALUATION AND SELECTION PROCESS**

#### **2.5.1 General**

Bids will be evaluated according to the procedures contained in Section 9, EVALUATION.

#### **2.5.2 Evaluation Questions**

During the evaluation and selection process, the State may desire the presence of a Bidder's representative for answering specific questions, orally and/or in writing. During the evaluation of Final Bids, the State may ask the Bidder to clarify their submitted information but will not allow the Bidder to change their proposal.

#### **2.5.3 Rejection of Bids**

The State may reject any or all bids and may waive any immaterial deviation or defect in a proposal. The State's waiver of any immaterial deviation or defect shall in no way modify the solicitation document or excuse the Bidder from full compliance with the solicitation document specifications if awarded the contract.

#### **2.5.4 Errors in Final Bid**

An error in the Final Bid may cause the rejection of that bid; however, the State may at its sole option retain the bid and make certain corrections.

In determining if a correction will be made, the State will consider the conformance of the bid to the format and content required by the solicitation document, and any unusual complexity of the format and content required by the solicitation document.

1. If the Bidder's intent is clearly established based on review of the complete Final Bid submittal, the State may at its sole option correct an error based on that established intent.
2. The State may at its sole option correct obvious clerical errors.
3. The State may at its sole option correct discrepancy and arithmetic errors on the basis that if intent is not clearly established by the complete bid submittal the Master Copy shall have priority over additional copies, the bid narrative shall have priority over the contract, the contract shall have priority over the cost sheets, and within each of these, the lowest

level of detail will prevail. If necessary, the extensions and summary will be recomputed accordingly, even if the lowest level of detail is obviously misstated. The total price of unit-price items will be the product of the unit price and the quantity of the item. If the unit price is ambiguous, unintelligible, uncertain for any cause, or is omitted, it shall be the amount obtained by dividing the total price by the quantity of the item.

4. The State may at its sole option correct errors of omission, and in the following two (2) situations, the State will take the indicated actions if the Bidder's intent is not clearly established by the complete bid submittal.
  - a. If an item is described in the narrative and omitted from the contract and cost data provided in the bid for evaluation purposes, it will be interpreted to mean that the item will be provided by the Bidder at no cost.
  - b. If an item is not mentioned at all in the Final Bid, the bid will be interpreted to mean that the item will be provided at no cost.
5. If a Bidder does not follow the instructions for computing costs not related to the contract (e.g., State personnel costs), the State may reject the bid, or at its sole option, recompute such costs based on instructions contained in the solicitation document.
6. If the re-computations or interpretations, as applied in accordance with this section, result in significant changes in the amount of money to be paid to the Bidder (if awarded the contract) or in a requirement of the Bidder to supply a major item at no cost, the Bidder will be given the opportunity to promptly establish the grounds legally justifying relief from its bid.
7. It is absolutely essential that Bidders carefully review the cost elements in their Final Bid, since they will not have the option to correct errors after the time for submittal.
8. The State may request clarification of items in the Bidder's response if the meaning is not clear to the State. Responses to requests for clarification must be confirmed in writing by the Bidder as instructed by the State's Procurement Official at the time of the request.
9. At the State's sole discretion, it may declare the Final Bid to be a Draft Bid in the event that the State determines that Final Bid from all Bidders contain material deviations. Bidders may not protest the State's determination that all bids have material deviations. If all bids are declared noncompliant, the State may issue an addendum to the solicitation. Should this occur the State may hold confidential discussions with those Bidders who submitted a Draft Bid and who are interested in continuing to be considered. Each participating Bidder will be notified of the due date for the submission of a new Final Bid to the State. This submission must conform to the requirements of the original solicitation as amended by any subsequent addenda. The new Final Bids will be evaluated as required by Section 9, EVALUATION.

## **2.6 AWARD OF CONTRACT**

Award of contract, if made, will be in accordance with Section 9, EVALUATION to a responsive responsible Bidder whose Final Bid complies with all the requirements of the solicitation document, except for such immaterial defects as may be waived by the State.

Contract Award, if made, will occur pursuant to Section 1.7, KEY ACTION DATES; however the State, at its sole option, may change the Contract Award date. The State reserves the right to modify or cancel in whole or in part its solicitation document.

Written notification of the State’s Intent to Award will be made to all Bidders submitting a Final Bid. If a Bidder, having submitted a Final Bid, can show that its bid, instead of the bid selected by the State, should be selected for contract award according to the rules of Section 9, EVALUATION, the Bidder will be allowed to submit a protest to the Intent to Award, according to the instructions contained in Subsection 2.7.2 Alternative Protest Process.

**2.6.1 Debriefing**

A debriefing may be held after contract award at the request of any Bidder for the purpose of receiving specific information concerning the evaluation. The discussion will be based primarily on the technical and cost evaluations of the Bidder’s Final Bid. A debriefing is not the forum to challenge the solicitation document specifications or requirements.

**2.7 PROTESTS**

There are two (2) types of protests: requirements (initial) protests and award protests. A protest shall be submitted according to the procedure below.

Protests regarding any issue other than selection of the “Successful Bidder” are requirements protests and will be heard and resolved by the Deputy Director of the Department of Technology, Statewide Technology Procurement Division (STPD), whose decision will be final.

**2.7.1 Requirements Protests**

Requirements (initial) Protest: Before a requirements protest is submitted, the Bidder must make full and timely use of the procedures described in this section to resolve any outstanding issue(s) between the Bidder and the State. The procurement procedure is designed to give the Bidder and the State adequate opportunity to submit questions and discuss the requirements, bids and counter bids before the Final Bid is due. The protest procedure is made available in the event that a Bidder cannot reach a fair agreement with the State after exhausting these procedures.

All protests of requirements must be made in writing, signed by an individual authorized under Subsection 2.4.5, Signature of Bid, and contain a statement of the reason(s) for protest, citing the law, rule, regulation, or procedures on which the protest is based. The protestant must provide facts and evidence to support the claim. All protests to the solicitation requirements must be received by the Deputy Director of the Department of Technology Statewide Technology Procurement Division (STPD) as promptly as possible, but not later than the respective time and date in Section 1.7, KEY ACTION DATES for such protests. Protests must be mailed or delivered to:

Table 2-1: Requirements Protest

Street Address:	Mailing Address:
Marnell Voss, Deputy Director Department of Technology Statewide Technology Procurement Division 10860 Gold Center Drive, 4 <sup>th</sup> Floor Rancho Cordova, CA 95670	Marnell Voss, Deputy Director Department of Technology Statewide Technology Procurement Division P.O. Box 1810 MS Y12 Rancho Cordova, CA 95741-1810

Copies of all protests are to be sent to the Procurement Official listed in Section 1.6.

### **2.7.2 Alternative Protest Process**

This procurement is being conducted under the provisions of the Alternative Protest Process (Public Contract Code Section 12125 et seq.), Bidder understands that by submitting a bid to this procurement, the Bidder consents to participation in the Alternative Protest Process, and agrees that all protests of the proposed award shall be resolved by binding arbitration pursuant to the California Code of Regulations, Title 1, Division 2, Chapter 5.

<http://www.dgs.ca.gov/oah/GeneralJurisdiction/BidProtestRegs.aspx>

A Notice of Intent to Award for this solicitation will be publicly posted on the 2<sup>nd</sup> floor Security Desk of the Department of Technology, 10860 Gold Center Drive, Rancho Cordova, CA and sent via email to any Bidder who submits a written request for notice and provided an email address.

During the protest period, any participating Bidder may protest the proposed award on the following grounds:

1. For major information technology acquisitions – that there was a violation of the solicitation procedure(s) and that the protesting Bidder’s bid should have been selected;  
or
2. For any other acquisition – that the protesting Bidder’s bid should have been selected in accordance with the selection criteria in the solicitation document.

A written Notice of Intent to Protest the proposed award of this solicitation must be received (Facsimile acceptable) by the Coordinator by the date and time specified in Section 1.7, KEY ACTION DATES. Failure to submit a timely, written Notice of Intent to Protest waives Bidder’s right to protest.



Bidder is to send the Notice of Intent to Protest to:

**Table 2-2: Notice of Intent Address**

Hand Delivered Bid, Parcel Post (FedEx, UPS, etc.)	United States Postal Service (USPS)
Department of Technology Statewide Technology Procurement Division Attn: Alternative Protest Process Coordinator 10860 Gold Center Drive, Suite 200 – Security Desk Rancho Cordova, CA 95670	Department of Technology Statewide Technology Procurement Division Attn: Alternative Protest Process Coordinator Mail Stop Y12 P.O. Box 1810 Rancho Cordova, CA 95741-1810
Fax: (916) 463-9910 Email: <a href="mailto:technologyprocurements@state.ca.gov">technologyprocurements@state.ca.gov</a>	

Copies of the protest are to be sent to the Procurement Official listed in Section 1.6.

Within seven (7) working days after the last day to submit a Notice of Intent to Protest, the Coordinator must receive from the protesting Bidder the complete protest filing including the signed, written detailed statement of protest including exhibits, filing fee and deposit or small business certification as applicable. Untimely submission of the complete protest filing waives the Bidder’s right to protest.

Protest bond requirement: the bond amount for this Alternative Protest Process shall not be less than Ten percent (10%) of the estimated contract value. See California Code of Regulations, Title 1, Section 1418.

**2.8 NEGOTIATIONS**

The State of California reserves the right to negotiate. Should it be determined that it is in the State’s best interest, the State will conduct negotiations under PCC §6611. The purpose of the Negotiation Process is to maximize the State’s ability to obtain best value, based on the requirements and the evaluation factors set forth in the solicitation.

**2.9 CONTACTS FOR INFORMATION**

Bidders may only contact the Procurement Official listed in Section 1.6 with regard to this solicitation document.

Oral communications of department officers and employees concerning this solicitation document shall not be binding on the State and shall in no way excuse the Bidder of any obligations set forth in this solicitation document.

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### **3 CURRENT SYSTEM OR PROBLEM SECTION**

A simple Visual Basic / SQL Server SEI Database System (SDS) was implemented at FPPC in 1999 and is used by FPPC staff to track some limited SEI information, such as the list of filers in a particular agency, the number of statements filed within an agency, and the type of correspondence sent. SEIs filed directly with FPPC are logged in SDS as they are received capturing some limited demographic information of the filers.

The SEI regulations require the FPPC to perform a simple validation of all submitted SEIs. A detailed validation must also be performed on 20 percent of submitted SEIs, all SEIs for persons assuming an office, and on all late SEIs. All validations are performed manually by FPPC staff. The simple validation consists of ensuring the SEI contains no missing descriptive information, contains an original signature (except for e-filed SEIs), and that all schedules indicated as attached to the SEI on the cover sheet are included with the filing. One example of errors that are caught during the simple validation is that filers sometimes do not provide information relating to their specific agency. In these cases FPPC staff must perform queries to obtain the information to ensure that the SEI is associated with the correct agency and filer.

A detailed validation consists of an audit of the attached SEI schedules. Filers are notified if there are discrepancies. For example, if a filer reports an investment, but does not indicate the fair market value, or if the filer reports disposal of real property, but does not report income, the FPPC must send correspondence to the filer requesting an amendment. The staff time required to process the amendment correspondence varies by the information that is being requested but typically requires 20 to 45 minutes of staff time.

#### **3.1 STORAGE OF SEI FORM AND FILER INFORMATION**

All paper SEIs are retained onsite at the FPPC's offices. Following logging and validation, the paper forms are stored alphabetically in specified areas of the file room by classification (constitutional officers, legislature, legislative candidates, legislative staff, state, court, county, city, and multi-county), by agency name, and by SEI filing year. If a filer submits an amendment to an SEI that has already been stored, the original SEI is retrieved from the file room and the amendment is attached to the form. The amendment must also be rescanned and redacted, if applicable.

Government Code Section 81009 requires SEIs for constitutional officers be retained indefinitely and all other SEIs be retained for seven years. The paper forms are recycled after the retention period elapses. Each fall, FPPC staff manually reviews each file folder in storage and recycle the paper documents for those that are over seven years old.

#### **3.2 POSTING AND RETRIEVAL OF FORM AND FILER INFORMATION**

Government Code Section 81008 requires that SEIs be available to the public no later than the second business day after they are received by the FPPC. Requestors are required to contact each agency that retains SEIs for their filers. Due to the decentralized system of filings at local offices throughout the state there are no official figures of the number of SEIs filed. However, it is estimated that at least 500,000 SEIs are filed annually of which, 25,000 are filed directly with the FPPC. If copies are requested, agencies may charge up to 10 cents per page and five dollars per request for SEIs five or more years old.

For the past several years, the FPPC has seen a marked increase in the number of copies requested. For example, a comparison of requests for SEIs during the 2010 and 2012 election years revealed a 25 percent increase in the number of pages copied, even though the number of SEIs available for access through the FPPC website increased during the same time period.

The FPPC began making SEIs available from its website in 2010. FPPC regulation 18313.6 requires that the filer's address and signature be redacted from the SEI prior to posting and the filer may request additional redaction of addresses and names reported on attached SEI schedules to protect their privacy. Because of limited FPPC resources, only a subset of submitted SEIs are available on the website.

Currently any public viewer may access the FPPC webpage and view PDF versions of SEIs of selected officials including Constitutional Officers, Legislature (Senate / Assembly), FPPC Commissioners, County Board of Supervisors, City Council Members, Supreme Court Judges, Appellate Court Judges, and Superior Court Judges. Although a limited search function is available, there is no data aggregation or graphical analysis of the SEI data available to the public.

Prior to posting, FPPC staff scan paper SEIs one at a time to convert them into PDF documents. The documents are redacted and converted into text searchable documents through the use of optical character recognition (OCR) software. In instances where filers request address or other information to be redacted, the information must be manually redacted. The redacted SEI is provided to the filer and FPPC auditing staff for review prior to posting on the website.

An Excel spreadsheet is maintained with the list of positions and individuals who have SEIs posted to the FPPC website. The name of the PDF file is associated with the individual's name in the spreadsheet.

FPPC IT staff creates HTML links for each SEI PDF and posts the documents to a test website. Program staff reviews and confirms each link prior to the SEI files being posted to the production website. In 2012 and prior years, the FPPC hired student interns to perform the scanning and redaction duties. In 2013 and 2014, the FPPC contracted with a vendor to perform a majority of these services.

In addition to the SEIs available on the FPPC website, the public can also request copies of paper SEIs from the FPPC. Requests are made via phone, email, or walk-in. Copies are either mailed or scanned and emailed to requestors. The majority of requests are completed within 24 hours. In responding to a request, FPPC staff retrieve the paper copy of the SEI from the file room, remove any correspondence, and either make a copy for the requester, or scan the form for emailing to the requestor. The original SEI is then replaced in the file room.

Four of the most common requests are for 1) multiple years of SEIs for one filer, 2) SEIs for a group of filers that hold the same office e.g. annual SEIs for all planning commissioners in a particular county, 3) filers requesting a copy of their prior year form as a reference for completing their current SEI, or 4) requests from filers of the prior year's SEI because they failed to retain a copy.

### **3.3 LATE FILERS AND ENFORCEMENT**

The current regulations require the FPPC to ensure that all required SEIs are submitted within the specified time periods. After the annual SEIs have been logged, a report is generated from the SDS system that identifies individuals who have not filed. Staff make a series of contacts to these non-filer individuals: two written notices, one or two telephone calls, and email, if available, to request the SEI from the individual.

The FPPC is responsible for enforcing and assessing fines on late filers. Late filers may provide a written explanation for late filings and request a waiver of the late filing penalties. Generally, this process requires FPPC staff to send one or two letters or emails and review responses before a fine may be assessed and the incident closed. The date and amount of fines paid are logged in SDS. A manual reconciliation is performed against the checks received by the Administration Division and the list of fines tracked in SDS

If individuals do not submit the payment of fines to the FPPC, they are referred to the Franchise Tax Board for collection through the Tax Intercept Program. If an individual has tax refunds or lottery winnings available, those funds are intercepted and transferred to the FPPC. FPPC staff log the FTB payments and forward the payments to the State General Fund to pay the fines. FPPC staff monitor the FTB referral program. Once a fine is intercepted, the payment is logged into SDS. The status of fine collections is logged into the database.

Individuals who fail to file are referred to the FPPC Enforcement Division. A paper form is completed by SEI staff containing applicable contact information for both the non-filer and the filing official associated with the non-filer's agency. The enforcement request form is attached to paper copies of all correspondence, phone and email records, prior filing history, and a copy of the last SEI filed. Manual monitoring is performed on non-filer cases until the missing SEI is submitted or until the Enforcement Division takes further action. The status of enforcement referrals is logged into the database.

### **3.4 DATA CHARACTERISTICS**

Approximate volume estimates for 2014:

Number of SEIs submitted directly to the FPPC: 25,000

Number of SEIs submitted to all California agencies: 500,000 (unofficial estimate)

Number of Filing Officials: 1500

Number of annual requests for SEIs from the FPPC: 5,500

### **3.5 SECURITY, PRIVACY, AND CONFIDENTIALITY CONSIDERATIONS**

#### **3.5.1 Security**

The data and documents generated by FPPC business processes require protection from unauthorized access. Although the data is not sensitive and/or confidential, the data and documents need to be protected through the implementation of strong security and privacy standards and practices to reduce the risk of exposing data and documents to manipulation and reduce the risk of losing data and documents.

Multiple security levels will be required to allow FPPC personnel access to information based on their level of authorization e.g. redacted documents widely available versus non-redacted documents that will require a significantly higher level of security.

Users of the system must be authenticated before being granted access to functions, data, and documents. The general public will not be allowed access to the SEI submission components of the system. Only FPPC personnel, filers and filing officers will be given secured access to the SEI submission components of the system. However, the general public will be given access to the retrieval components of the system. This access will be through the FPPC website which will have no authentication security. The public internet portal will provide access to SEIs required to be posted per regulations (currently restricted to approximately 6,000 elected officials).

### **3.5.2 Confidentiality and Privacy**

The FPPC must maintain a high level of security for documents, especially those documents containing personal information such as addresses and signatures.

## **3.6 INTERFACES**

The current SDS system has no interfaces to any internal or external system.

## **3.7 DOCUMENTATION**

There is no documentation for the SDS system.

## **3.8 APPLICATION AND DATABASE SERVER**

The existing Visual Basic SDS application and database resides on a server running Microsoft Server 2008, Microsoft IIS, and Microsoft SQL Server 2005.

## **3.9 DESKTOP WORKSTATIONS**

A standardized platform of desktop and portable computers are deployed to all management and staff at the FPPC for carrying out day-to-day business operations. The FPPC's desktop, workstation, and laptop standards are compliant with the hardware available through the Department of General Services.

## **3.10 LOCAL AREA NETWORK (LAN) SERVERS**

Servers in the FPPC data center support business applications including SDS, file and print services, email, internet access, and user authentication and other security functions. The FPPC uses Microsoft Windows servers.

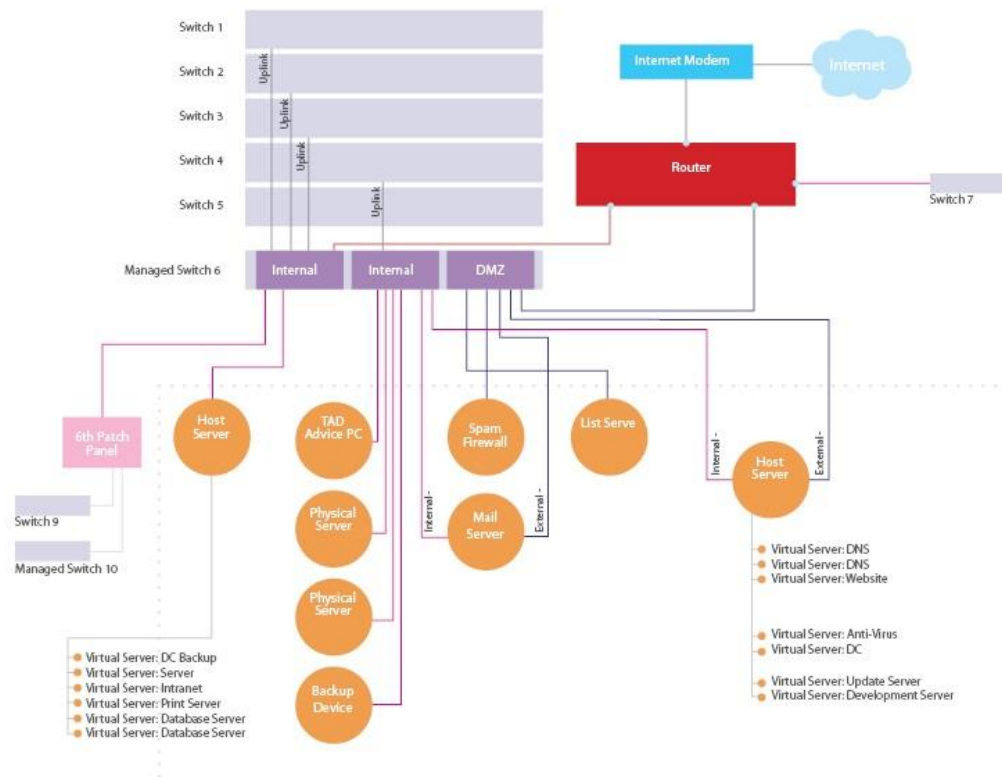
Microsoft Windows Server 2008 is the current version of the server operating system. Support and maintenance of the FPPC data center internal LAN wiring, routers, LAN switches, and intranet are functions performed by FPPC IT Division staff. Servers that have shared files are enabled with virus protection. Servers are maintained with upgrades and operating system patches as needed. Physical servers are continually refreshed as their useful life expires.

The IT Division provides e-mail services to the FPPC using Microsoft Exchange server.

### 3.11 NETWORK PROTOCOLS

The FPPC data center Wide Area Network (WAN) provides multi-protocol access to and from the FPPC's private LAN environment. The physical components of the WAN include a combination of firewalls and routers that control security and access and are managed by FPPC IT Division staff.

The diagram below is a depiction of the current network infrastructure.



Current Network Infrastructure

### 3.12 OPERATING ENVIRONMENT

The current FPPC environment uses the Microsoft .NET platform with Visual Basic as the programming language and SQL Server for the database software. The following table lists the current development and systems software

Software	Purpose
Microsoft Visual Studio	.NET Application Development Environment
Microsoft IIS	Web and Application Server
Microsoft SQL Server	Database
Microsoft Windows Server	Application and Database Server Operating System





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## 4 PROPOSED SYSTEM SECTION

This section is intended to present an overview of the proposed system and as such will not specify any detailed technical requirements. The functional/technical requirements supporting this overview are to be included in Section 6, BUSINESS, FUNCTIONAL AND TECHNICAL REQUIREMENTS.

In the event an ambiguity or discrepancy between the requirements described in this Section, and the requirements set forth in Section 6, BUSINESS, FUNCTIONAL AND TECHNICAL REQUIREMENTS are detected after the opening of bids, Section 6, BUSINESS, FUNCTIONAL AND TECHNICAL REQUIREMENTS and the bidders response thereto, shall have priority over this Section and the bidder response thereto.

### 4.1 OVERVIEW

The FPPC proposes the implementation of a commercial-off-the-shelf (COTS) system named the SEI Enhanced Filing System (SEFS) that will provide the FPPC with the ability to efficiently manage SEI filings and replace the labor intensive paper-based solution. The solution will leverage an existing proven system in meeting the needs of the FPPC. The COTS solution will be provided and implemented by a COTS vendor who will be responsible for deploying a complete solution comprised of the following three components:

**Application Solution** – This will be a COTS solution which will be configured and implemented in four phases as described below:

**Phase 1** – This phase will be a pilot project for a period of approximately four (4) months. During this phase, approximately 1,000 filers and filing officers will use the system to ensure all functionality is working properly and to prepare for the full implementation of the system.

**Phase 2** – This phase is the full-scale implementation of the COTS system as-is without adding any additional functionality. Under the proposed project schedule, Phase 2 will align with the peak season for the SEIs – the annual filing deadline for the 2016 annual reports. The FPPC anticipates a majority of the 25,000 filers will file electronically during this first year of full-scale implementation.

**Phase 3** – Because the FPPC proposes to purchase a COTS system, there will be little modification required for the system to be fully functional. But an additional feature will need to be added to the COTS system to provide for the searching and aggregation of the public data collected. This will include a public internet portal for viewing SEI information required to be posted per regulations (currently about 6,000 elected officials). Phase 3 will develop and implement this public portal. Planning for the portal may occur in Phase 1 or 2.

**Phase 4** – This phase is a stabilization period to implement minor modifications as necessary.

## **4.2 MANUAL PROCESSES**

SEFS will support FPPC back-office processes. In Phase 1 and 2 of the implementation many of the manual processes will be replaced by automated processes. However, the back office processes will continue to be performed manually until a majority of the 25,000 officials are filing electronically. Also, until the additional functionality is fully-implemented in Phase 3, some of the duties related to posting the SEIs will continue to be performed manually. Organizational change management and training activities will be employed to reduce the impact of business process change on the organization and external parties affected by the changes.

## **4.3 INFRASTRUCTURE**

The system will be hosted at the Department of Technology CalCloud or commercial cloud hosting service.

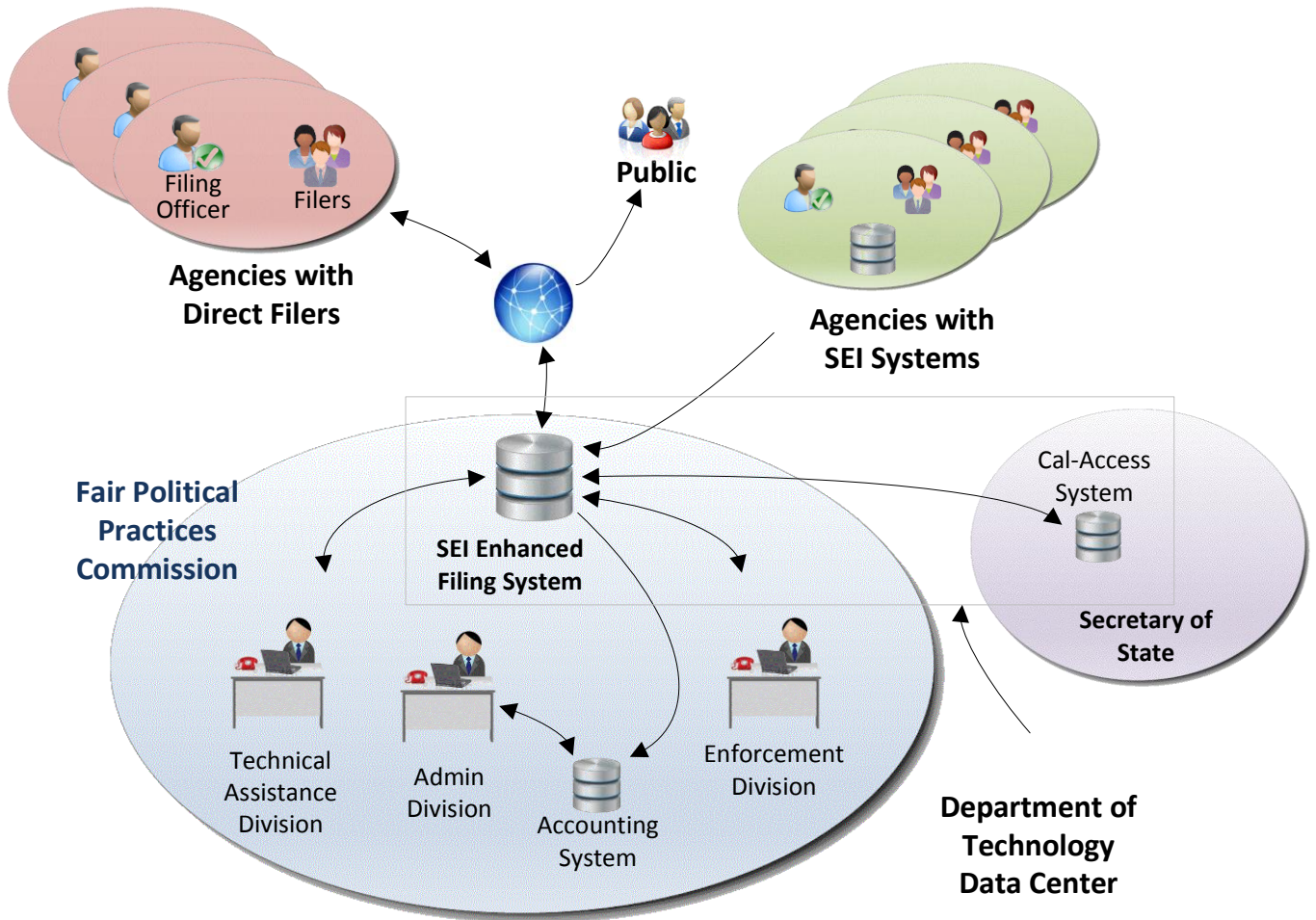
SEFS will be a web-based application for automating the workflows and functions necessary to support the SEI processes as defined by the requirements identified in Section 3, including the following key features:

A browser-based application to be used by filers and filing officers in the submission and tracking of SEIs

A browser-based application to support FPPC staff in the analysis and enforcement of SEI submissions

A browser-based application to be used by the public in requesting copies of SEIs and accessing aggregated data on the filers and submitted SEIs required to be posted per regulations (currently restricted to approximately 6,000 elected officials)

The diagram below illustrates the conceptual architecture of the proposed solution showing the components of the solution.



**Conceptual Diagram of Proposed Solution**

As depicted in the diagram in section below, the components above will be made available on the SEFS infrastructure.

The primary SEFS applications will reside on separate application servers connected to a SAN database server.

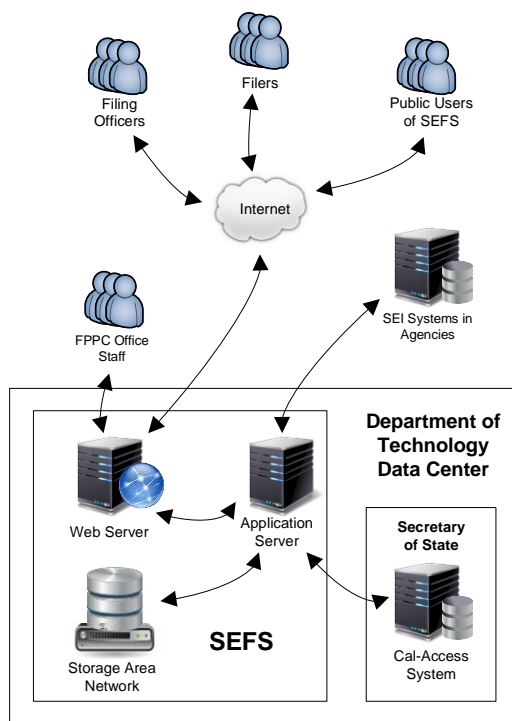
The SEFS application will be used by filers and filing officers to submit and track SEIs.

FPPC staff will use the SEFS application to manage SEI submissions, perform analysis on form and filer data, and perform enforcement activities. Filers, filing officers, and FPPC staff using the application will be required to authenticate using user names and passwords to access the system.

The public will use the FPPC public website to view copies of SEIs and aggregated data on form and filer information for the submitted SEIs required to be posted per regulations (currently

restricted to approximately 6000 elected officials). No authentication will be required to access the FPPC public website.

SEI systems in other organizations will send file and form information to SEFS on a periodic basis. The network connectivity and method for this transfer will be determined during implementation. Potential methods include Secure File Transfer Protocol (SFTP) and web services using a Virtual Private Network (VPN) connection.



**Infrastructure Diagram of Proposed Solution**

The proposed software architecture is an application with three tiers: user interface (presentation), business logic (application), and data. The user interface tier contains all the logic necessary to interact with the user. The business logic tier encapsulates the business rules and workflow necessary to implement the application. The data access tier encapsulates access to the SEFS database.

The following sections have been completed in accordance with the SIMM FSR Guidelines. Because an integration vendor has not yet been selected, some information cannot be provided at this time. However, assumptions and expectations are described that will be validated during the detailed requirements elicitation and vendor procurement processes.

#### **4.4 HARDWARE**

The new FPPC SEFS will be housed at the California Department of Technology CalCloud or commercial cloud hosting service. The CalCloud or commercial cloud hosting service will be responsible for the procurement, installation, provisioning, and maintenance of cloud server software. The maintenance of the cloud server; operating system software upgrades and

maintenance; overall network and operating system security and administration; and backup and recovery, including offsite storage are included as part of the base services.

SEFS will require a cloud service to provide for maximum scalability and high availability. The environment shall have the ability to scale up and back down with the cycles of historical Filer patterns. History has shown that most filers submit the SEI's during a two week window prior to the filing due date.

The solution will require production, configuration, testing, and training environments. SEFS will require web application servers and a database server that are built for scalability and high availability permitting the application to be responsive and available for use as needed to meet the requirements of the program.

#### **4.5 SOFTWARE**

The system software platform for SEFS is not specified in this IFB and will not be specified in the COTS vendor procurement. By not specifying the system software platform, restrictions are removed and provides potential vendors to propose solutions that meet the business, technical and functional requirements identified in Sections 6. The following exhibit lists the development and systems software required by SEFS.

<b>Software</b>
Web and Application Software
Database Software
Operating System Software

#### **System Software Components**

#### **4.6 TECHNICAL PLATFORM**

SEFS will utilize a three-tier architecture where the user interface (top tier - presentation layer), the business logic (middle tier - application processing layer), and the data management (bottom tier - data layer) are separate tiers. All users will access the application through a web browser.

The web browser (top tier) attaches to the application server (middle tier) for processing. The top tier presents the data and does minimal data manipulation. Most of the computing is performed by the application server. The application servers offload data manipulation from the database server on the Storage Area Network. The database server (the bottom tier) simply manages data. This data management component includes authentication, data retrieval and storage, and backups. All environments will reside at the Department of Technology CalCloud or commercial cloud hosting service.

#### **4.7 DEVELOPMENT APPROACH**

SEFS will be a Commercial-Off-the-Shelf (COTS) solution with configuration of the system as the primary activity in the first two phases of the project and adding additional functionality in the

third phase for a public portal with search functionality. As described earlier in this section, SEFS will be implemented in four phases to mitigate risk by providing incremental elaboration of the solution: Phase 1) Pilot Test, Phase 2) Core System Implementation, Phase 3) Additional Functionality, and Phase 4) Stabilization.

The software configuration utilized in Phase 1 and Phase 2 and the software development approach utilized by the COTS vendor for the additional functionality in Phase 3 and Phase 4 will include a structured methodology for the system life cycle from design through maintenance.

As part of preparation for SEFS, limited data in the current SQL Server database will be converted for approximately 20,000 filers and 1,100 filing officials. Only the name and address information consisting of approximately 20 fields per person will be converted. The existing data is clean and does not require additional clean-up prior to this conversion. Additionally, the current SQL Server database will be archived, so the information can be retrieved if necessary. This is consistent with the legal requirement that the FPPC maintain SEIs for 7 years. As the hard-copy SEIs are phased out, the current database will eventually be phased out as well. Essentially, the new system will be a fresh start, with only limited data (essentially contact information for filers and filing officers) needing to be transferred to the new system.

Although the FPPC Project Manager will be ultimately responsible for approving and directing all phases of the project, the FPPC expects that the COTS vendor also will be responsible for leading a majority of the implementation activities.

#### **4.8 PLAN AND DESIGN**

The vendor will work with the FPPC to perform the following:

The vendor will gain an understanding of the current business operations and challenges the staff must overcome to achieve its mission of managing and enforcing SEI submissions  
Hold business and technical walkthroughs to ensure the functional and technical requirements are being met  
Design business process and organizational change management strategies for internal and external stakeholders, and develop contingency plans to ensure business processes are not adversely impacted

The vendor will be responsible for the following planning and design activities:

Design the solution

Perform a detailed Fit-Gap analysis to determine where application configuration and customization is required and where process and procedural changes are needed

Develop and maintain requirement traceability matrices

Conduct functional business and technical walkthroughs

Confirm the functional rollout strategy

Finalize data conversion strategy

Finalize business process change management strategies

Develop database strategies

The COTS vendor will be responsible for developing a complete solution that meets the FPPC's business and technical requirements.

#### **4.9 CONFIGURATION AND DEVELOPMENT**

The vendor will work with the FPPC to perform the following:

- Receive approval from the FPPC Project Manager of all specifications
- Configure the software to meet requirements and implement business rules
- Develop the custom software components and interfaces to meet back-office and external integration requirements
- Perform data conversion testing
- Perform data conversion
- Design and develop testing strategies and test scenarios
- Design and develop business process change management activities necessary to successfully deploy the phased and final solution

#### **4.10 IMPLEMENTATION**

The vendor will work with the FPPC to perform the following:

- Define the user acceptance criteria and testing process
- Assist in the training of the FPPC project staff
- Support organizational change management activities for internal and external stakeholders
- Work with FPPC's technical staff to complete the data conversion
- Provide technical knowledge transfer to FPPC technical staff
- Deploy the new business application into the FPPC's production environment



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## **5 ADMINISTRATIVE REQUIREMENTS SECTION**

This section contains the Administrative Requirements that must be met in order to be considered responsive to this solicitation.

All Administrative Requirements listed in this section are denoted as follows:

(M) are Mandatory and scored on a pass/fail basis. A “Fail” will result in a bid being deemed non-responsive and, therefore, will be disqualified. Failure to provide a response to each Mandatory requirement where indicated will result in disqualification.

(O) are Optional and are not required to be offered by the Bidder in order to be compliant with the IFB requirements. Bidder may choose whether to meet administrative requirements labeled as (O) such as those relating to preference points. However, if a Bidder offers any of these optional requirements, the Bidder must meet the minimum requirements as stated in this section. The State’s evaluation team will review responses to optional requirements and apply points, if applicable, per criteria stated in Section 9, Evaluation.

### **5.1 BIDDER ADMINISTRATIVE RESPONSE DOCUMENTS**

#### **5.1.1 Response to Administrative Requirements (M)**

Bidders must indicate their willingness and ability to satisfy these requirements by marking “Yes” on the “Bidder agrees “Yes/No” column on Exhibit 3, “Response to Administrative Requirements”. Answering “No” to any of the Mandatory Administrative Requirements (M) in the Final Bid will result in the bid being deemed non-responsive, and therefore disqualified.

#### **5.1.2 Cover Letter (M)**

A cover letter must be submitted containing the following:

Be on company letterhead.

Include the legal name of the Bidding organization.

Include the address of the Bidder’s organization.

Include a statement that the bid response is the Bidder’s binding offer, good for 120 calendar days from scheduled Contract Award date, as noted in Section 1.7, KEY ACTION DATES.

Include a statement indicating that the Bidder agrees to the terms and conditions of this solicitation and accepting responsibility as the Prime Contractor if awarded the Contract resulting from this solicitation.

Include a statement indicating that the Bidder has available staff with the appropriate skills to complete the Contract for all services and provide all deliverables as described in this solicitation.

Be signed by an individual who is authorized to bind the bidding firm contractually. The individual’s name must also be typed, and include the title or position that the individual holds in the firm. An unsigned Final Bid may be rejected.

Include the email and phone number of the person signing the letter.

Include the date signed.

### **5.1.3 Secretary of State Certification (M)**

If required by law, the Prime Contractor must submit a Certificate of Status from California Secretary of State, showing Prime Contractor is certified with the California Secretary of State (SOS) to do business in the State of California. If the Bidder does not currently have this certification, the firm must be certified before a Contract award can be made, and must provide information in the Final Bid to support the status of its application to be certified to do business in the State of California.

Domestic and foreign Corporations, Limited Liability Companies (LLCs), Limited Liability Partnerships (LLPs) and Limited Partnerships (LPs) must be registered with the California SOS to be awarded the Contract. The SOS Certificate of Status must be included with the bid. The required document(s) may be obtained through the SOS, Certification and Records Unit at (916) 657-5448 or through the following website: <http://kepler.sos.ca.gov/> (Exhibit 9).

### **5.1.4 Workers Compensation (M)**

The Prime Contractor must maintain statutory Workers' Compensation for all its employees who will be engaged in the performance of the Contract, and agree to furnish the State satisfactory evidence thereof at the time the State may so request. The Bidder is required to sign Exhibit 4, *Workers' Compensation Certification*, and submit it with the Bid response.

### **5.1.5 Payee Data Record (M)**

The Payee Data Record (STD.204) indicates the Bidder is subject to state income tax withholdings pursuant to California Revenue and Taxation Code section 18662.

Bidders must complete Exhibit 7, Payee Data Record, and submit it with their bid. The Bidder must provide the company's Federal Employer Identification Number (Business IRS Number) with their final bid submission on this form. The form can be located at the following website: <http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std204.pdf>

### **5.1.6 Iran Contracting Act of 2010 (M)**

Division 2, Part 1, Chapter 2.7 of the PCC is the Iran Contracting Act of 2010 (Act). This Act requires at §2203 that no one shall submit a bid for a contract, or enter into or renew a contract, with a public entity for goods or services valued at \$1,000,000 or more if that person (i.e., Bidder or Contractor) engages in investment activities of \$20,000,000 or more as described in PCC §2202.5 pursuant to all provisions of the Act. The Act, at §2204 requires Bidders to certify at the time the bid is submitted or the contract is renewed, that the person is not identified on a list created pursuant to subdivision (b) of PCC §2203 as a person engaging in investment activities in Iran described in subdivision (a) of PCC §2202.5, or as a person described in subdivision (b) of PCC §2202.5, as applicable. Bidders are therefore required to complete Exhibit 10, Iran Contracting Act of 2010, and submit it with their Final Bid, and again each time their awarded contract is renewed.

### **5.1.7 Confidentiality Statement (M)**

The Bidder engaging in services pertaining to this solicitation, requiring contact with confidential State information or State customer information will be required to exercise security precautions for all such data that is made available and must accept full legal responsibility for the protection of this confidential information. This includes all statistical, personal, technical and/or other confidential personal data and information relating to the State's operations that are designated confidential by the State.

The Bidder must submit Exhibit 2, Confidentiality Statement, for the Bidder's firm. The completed Confidentiality Statement must be submitted with the Intent to Bid, Exhibit 1. The Bidder will also be required, upon Contract Award, to submit a signed Confidentiality Statement from all employees and Subcontractor staff assigned to the awarded Contract.

### **5.1.8 Subcontractors (M)**

It is the Bidder's responsibility to ensure any Subcontractor that the Bidder chooses to use in fulfilling the requirements of this solicitation, which is expected to receive more than ten percent (10%) of the value of the Contract, must also meet all Administrative, Business, Functional and Technical Requirements of the solicitation, as applicable to the services provided by the Subcontractor.

Nothing contained in the resulting contract shall create any relationship between the State and any Subcontractors, and no subcontract shall relieve the Bidder of its responsibilities and obligations. The Bidder is fully responsible to the State for the acts and omissions of its Subcontractors and of persons either directly or indirectly employed by them.

The Contractor shall not change Subcontractor(s) and/ or DVBE Subcontractor(s) if such changes conflict with the work to be performed under this contract. For DVBE Subcontractor changes, the Contractor shall utilize another DVBE Subcontractor. The State recognizes that changes to Subcontractor(s) may be necessary and in the best interests of the State, however, advance notification of a contemplated change and the reasons for such change must be made to the State no less than seven (7) business days prior to the existing Subcontractor's termination. If this should occur, the Contractor should be aware that the State contract administrator or designee must approve any changes to the Subcontractor(s) prior to the termination of the existing Subcontractor(s). This also includes any changes made between submittal of the Final Bid and actual start of the contract.

The State will not compensate the Contractor for any of the Contractor's time or effort to educate or otherwise make the new Subcontractor(s) ready to begin work on the contract.

The Bidder's obligation to pay its subcontracts is an independent obligation from the State's obligation to pay or to enforce the payment of any money to any subcontractor. Contractor is solely responsible for any payments to or claims made by Subcontractors.

### **5.1.9 Bidder Declaration Form (M)**

All Bidders must complete Exhibit 12, Bidder Declaration GSPD-05-105, and include it with the bid. When completing the declaration, the Bidder must identify all Subcontractors proposed for participation in the Contract. The Bidder awarded the Contract is contractually obligated to use

the Subcontractors for the corresponding work identified, unless the Department agrees to a substitution and it is incorporated, in writing. If the Bidder is not using Subcontractors, complete the form with "Not Applicable" and the Bidder's signature. The form is also available at:

[www.documents.dgs.ca.gov/pd/poliproc/MASTEr-BidDeclar08-09.pdf](http://www.documents.dgs.ca.gov/pd/poliproc/MASTEr-BidDeclar08-09.pdf)

## **5.2 BIDDING PREFERENCE PROGRAMS**

### **5.2.1 Disabled Veteran Business Enterprise (DVBE) Program**

The Disabled Veteran Business Enterprise (DVBE) Participation Goal Program for State contracts are established in Public Contract Code (PCC), Section 10115 et seq., Military and Veterans Code (MVC), Section 999 et seq., and California Code of Regulations (CCR), Title 2, Section 1896.60 et seq.

PLEASE READ THESE REQUIREMENTS CAREFULLY. FAILURE TO COMPLY WITH THE MINIMUM DVBE PARTICIPATION REQUIREMENT WILL CAUSE YOUR SOLICITATION RESPONSE TO BE DEEMED NONRESPONSIVE AND YOUR FIRM INELIGIBLE FOR AWARD OF THE PROPOSED CONTRACT.

#### **5.2.1.1 DVBE Participation Requirement (Requirement Waived)**

Bidders must fully comply with DVBE Participation Program requirements in the Final Bid. Failure to submit a complete response will result in a non-responsive determination, in which case the Final Bid will be rejected. The minimum DVBE participation goal is three percent (3%) for this solicitation. The DVBE Program requirements information may be viewed at:

[www.documents.dgs.ca.gov/pd/poliproc/Master-DVBEReqPack-GoodsITFinalVersion090909.pdf](http://www.documents.dgs.ca.gov/pd/poliproc/Master-DVBEReqPack-GoodsITFinalVersion090909.pdf)

The Bidder must complete and submit Exhibit 12, GSPD-05-105 Bidder Declaration. This form and its completion instructions may be accessed at:

[www.documents.dgs.ca.gov/pd/delegations/GSPD105.pdf](http://www.documents.dgs.ca.gov/pd/delegations/GSPD105.pdf)

The Bidder who has been certified by California as a DVBE (or who has obtained the participation of Subcontractors certified by California as a DVBE) must also submit a completed form(s) STD.843 Disabled Veteran Business Declarations. All disabled veteran owners and disabled veteran managers of the DVBE(s) must sign the form(s). Exhibit 13, STD.843 Disabled Veteran Business Declarations form may be accessed at:

[www.documents.dgs.ca.gov/pd/poliproc/STD-843FillPrintFields.pdf](http://www.documents.dgs.ca.gov/pd/poliproc/STD-843FillPrintFields.pdf)

The Office of Small Business and DVBE Services offer program information and may be reached at:

Office of Small Business and DVBE Services  
707 Third Street, 1<sup>st</sup> Floor, Room 400  
West Sacramento, CA 95606  
[www.pd.dgs.ca.gov/smbus](http://www.pd.dgs.ca.gov/smbus)

Receptionist: (916) 375-4940 Fax (916) 375-4650

### **5.2.1.2 DVBE Participation Incentive (O)**

In accordance with Section 999.5(a) of the Military and Veterans Code, an incentive will be given to Bidders who exceed the three percent (3%) DVBE mandatory participation. For Contract Award evaluation purposes only, the State shall apply the incentive amount based on the amount of DVBE participation obtained above the three percent (3%) requirement. The incentive is only given to those Bidders who are responsive to the DVBE Program Requirement and propose DVBE participation in the resulting Contract that exceeds the mandatory three percent (3%) requirement. See Section 9, EVALUATION, for details on the amount and application of the incentive during bid evaluation.

### **5.2.2 Small Business Preference (O)**

Section 14835 et seq. of the California Government Code requires that a five percent (5%) preference be given to Bidders who qualify as a small business or Bidders who qualify as a non-small business claiming at least 25 percent (25%) California certified small business Subcontractor participation. The rules and regulations of this law, including the definition of a small business, or qualifying non-small business, are contained in Title 2, California Code of Regulations, Section 1896 et seq. The definition of nonprofit veteran service agencies qualifying as a small business is contained in Section 999.50 et seq. of the Military and Veterans Code. Bidders claiming the preference must complete Exhibit 11, Bidding Preferences and Incentives.

### **5.2.3 Non-Small Business Preference (O)**

A five percent (5%) bid preference is available to a non-small business claiming 25 percent (25%) California-certified small business Subcontractor participation. If claiming the non-small business Subcontractor preference, the Bidder's response must include a list of the small business(es) with which the firm commits to subcontract in an amount of at least 25 percent (25%) of the net bid price with one (1) or more California-certified small businesses. Each listed certified small business must perform a "commercially useful function" in the performance of the contract as defined in Government Code §14838(b)(1)(2).

Bidders claiming the five percent (5%) preference must commit to subcontract at least 25 percent (25%) of the net bid price with one (1) or more California-certified small businesses. Completed certification applications and required support documents must be submitted to the Office of Small Business and DVBE Services (OSDS) no later than 5 p.m. on the bid due date, and the OSDS must be able to approve the application as submitted. Questions regarding certification should be directed to the OSDS at (916) 375-4940.

The preference to a non-small business firm that commits to small business or microbusiness Subcontractor participation of 25 percent (25%) of its net bid price shall be five percent (5%) of either the lowest responsive, responsible firm's price or the highest responsive, responsible firm's total score. A non-small business, which qualifies for this preference, may not take an award away from a certified small business.

If using Small Business Subcontractors, the Bidder must complete and submit Exhibit 12, GSPD-05-105 Bidder Declaration.

#### **5.2.4 Commercially Useful Function (M)**

If the Bidder is a California-Certified SB, in accordance with AB 669 (Chapter 623, Statutes of 2003), the Bidder must address specific aspects of the legislation that requires Certified Small Businesses to perform a Commercially Useful Function as defined by Government Code Sections 14837, 14838.6, 14839, 14842, and 14842.5.

A Contractor, Subcontractor, or supplier will not be considered to perform a Commercially Useful Function if the Contractor's, Subcontractor's, or supplier's role is limited to that of an extra participant in the transaction, the awarded Contract, or project through which funds are passed to obtain the appearance of small business or micro business participation.

Bidders must complete Exhibit 18, Commercially Useful Function (CUF) Certification. All Bidders and Subcontractors identified in the bid response to fulfill the requirements for one (1) or more of the socio-economic programs (DVBE and small business) must perform a commercially useful function (CUF) in the resulting contract. CUF is defined pursuant to Military and Veterans Code section 999(b)(5)(B) and Government Code section 14837(d)(4)(A) for the DVBE and small business programs, respectively.

Bidders claiming one (1) or more of the socio-economic programs must complete and submit as part of the Final Bid response, Exhibit 12, GSPD-05-105 Bidder Declaration, also available at: [www.documents.dgs.ca.gov/pd/poliproc/MASTEr-BidDeclar08-09.pdf](http://www.documents.dgs.ca.gov/pd/poliproc/MASTEr-BidDeclar08-09.pdf). If Bidder is not using Subcontractors, complete and sign Exhibit 13 with "Not Applicable".

Bidder(s) may be required to submit additional written clarifying information regarding CUF (Exhibit 17, Commercially Useful Function Certification). Failure to submit the requested written information as specified may be grounds for bid rejection.

#### **5.2.5 Target Area Contract Preference Act (TACPA) (O)**

Target Area Contract Preference will be granted to California-based firms in accordance with Government Code Section 4530 whenever contracts for goods or services are in excess of \$100,000 and the Bidder meets certain requirements as defined in the California Administrative Code (Title 2, Section 1896.30 et seq.) regarding labor needed to produce the goods or provide the services being procured. The Target Area Preference is optional on the part of the Bidder (not mandatory), is for Bid evaluation purposes only, and does not alter the amount of the awarded Contracts. Bidders desiring to claim Target Area Contract Preference Act (TACPA) preference shall complete Exhibit 14, STD 830 Target Area Contract Preference Act – Preference Request for Goods and Services, and submit it with the Final Bid. STD 830 is also available at <http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std830.pdf>. Additional instructions are provided on the form.

### **5.3 STD 213, STANDARD AGREEMENT (M)**

The STD 213, Standard Agreement must be signed by a party authorized to bind the firm contractually. Bidders shall complete Exhibit 15, STD 213 Standard Agreement and attach the Statement of Work, Appendix A.

### **5.4 STATEMENT OF WORK (M)**

Appendix A, Statement of Work, identifies and describes the tasks and responsibilities of the Contractor and responsibilities of the State during the development, implementation, and operations phases of the SEI Enhanced Filing System project. The Statement of Work is attached to the STD 213 Contract.

### **5.5 CONTRACT TERMS AND CONDITIONS (M)**

The following terms and conditions apply to this solicitation and the resulting Agreement:

General Provisions – Information Technology (GSPD-401IT, 09/05/14)

[http://www.documents.dgs.ca.gov/pd/poliproc/GSPD401IT14\\_0905.pdf](http://www.documents.dgs.ca.gov/pd/poliproc/GSPD401IT14_0905.pdf)

State Model Cloud Computing Special Provisions for Software as a Service (SaaS)

[http://www.documents.dgs.ca.gov/pd/poliproc/CLOUDCOMPUTINGSERVICESSPECIALPROVISIONS\\_14\\_0903.docx](http://www.documents.dgs.ca.gov/pd/poliproc/CLOUDCOMPUTINGSERVICESSPECIALPROVISIONS_14_0903.docx)

### **5.6 BIDDER RESPONSIBILITY**

#### **5.6.1 Ability to Perform (M)**

Prior to award of the Contract, the State must be assured that the Bidder selected has all of the resources to successfully perform under the Contract. This includes, but is not limited to, personnel in the numbers and with the skills required; equipment of appropriate type and in sufficient quantity; financial resources sufficient to complete performance under the Contract; and experience in similar endeavors. If, during the evaluation process, the State is unable to assure itself of the Bidder's ability to perform under the Contract, if awarded, the State has the option of requesting from the Bidder any information that the State deems necessary to determine the Bidder's responsibility. If such information is required, the Bidder will be so notified and will be permitted five (5) State business days to submit the information requested in writing. Examples of the type of financial responsibility information requested may include annual reports and current audited balance sheets for the Bidder firm.

#### **5.6.2 Primary Bidder (M)**

An award, if made, will be to a Primary Bidder. The selected Primary Bidder will be responsible for successful performance of all Subcontractors and support services offered in response to this Bid. All State policies, guidelines, and requirements that apply to the Primary Bidder also apply to Subcontractors, as applicable to the products and services they provide and to their role as a Subcontractor. Furthermore, the State will consider the Primary Bidder to be the sole point of contact regarding contractual matters for the term of the resulting Contract. The Bidder shall not



assign financial documents to a third-party without prior written approval by the State, and an amendment to the resulting Contract.

### **5.6.3 Commercial General Liability Insurance (M)**

The Prime Contractor shall maintain general liability with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage liability combined. The policy shall include coverage for liabilities arising out of premises, operations, independent Contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured agreement. This insurance shall apply separately to each insured against whom a claim is made or suit is brought, subject to the Bidder's limit of liability.

In accordance with GSPD 401IT 09/05/2014, section 20 – Insurance; The Contractor shall furnish insurance certificate(s) evidencing required insurance coverage acceptable to the State, including endorsements showing the State as an “additional insured” if required under the Contract. Any required endorsements requested by the State must be separately provided; merely referring to such coverage on the certificates(s) is insufficient for this purpose. When performing work on state owned or controlled property, Contractor shall provide a waiver of subrogation in favor of the State for its workers' compensation policy.

The Prime Contractor shall agree to furnish the State satisfactory evidence thereof within ten (10) calendar days of Contract award.

### **5.6.4 Seller's Permit (M)**

This bid is subject to all requirements set forth in Sections 6452, 6487, 7101 and 18510 of the Revenue and Taxation Code, and Section 10295 of the Public Contract Code, requiring Bidders to provide a copy of their retailer's seller's permit or certification of registration, and, if applicable, the permit or certification of all participating affiliates issued by the State of California's Board of Equalization. The seller's permit must be submitted within (five (5) State Business Days of the State's request or at the time of bid submission). For more information on seller's permit or certification of registration, refer to the following link: <http://boe.ca.gov/pdf/pub73.pdf>

### **5.6.5 Withhold (M)**

Contract Code, Section 12112, the State will withhold, from the invoiced payment amount to the Contractor, an amount equal to ten percent (10%) of the payment. Such retained amount shall be held by the State and only released to the Contractor upon the Department's Project Sponsor determination that the Contractor has satisfactorily completed all of the required services related to the implementation.<sup>1</sup>

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<sup>1</sup>This meets the contract performance insurance required per Volume 3, Chapter 4.B2.13 (Risk Guidelines) of the State Contracting Manual.

## **5.7 OTHER ADMINISTRATIVE TERMS AND CONDITIONS**

### **5.7.1 Amendment**

Any Contract executed as a result of this solicitation, may be amended, consistent with the terms and conditions of the contract and by mutual consent of both parties, subject to approval by the Statewide Technology Procurement Division under PCC 12100.

### **5.7.2 Availability**

If at any time after award of this contract, the Contractor becomes unable to provide any part of its contracted services, the Contractor must, within ten (10) business days, notify the State in writing to seek a potential resolution, and if appropriate, propose a replacement of those services that it can no longer provide. The replacement must be at no cost to the State, and shall be equivalent to or exceed the proposed service that was previously offered and accepted by the State in the Contractor's Final Bid or awarded Contract.

The State reserves the sole right to determine if the proposed replacement is acceptable. An inability to provide a mandatory requirement may be grounds for Contract termination in whole or in part.

### **5.7.3 Bid Rejection**

A Final Bid may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities, of any kind, in accordance with Section 2.5.3, Rejection of Bids. Deviation from terms and conditions previously approved for this solicitation may be cause for rejection of the Bid. Bidders submitting conditional bids may be disqualified.

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## **6 BUSINESS, FUNCTIONAL AND TECHNICAL REQUIREMENTS SECTION**

### **6.1 INTRODUCTION**

Exhibit 20 contains the detailed Business, Functional and Technical requirements pertaining to the proposed system as described in Section 4, PROPOSED SYSTEM. In addition to meeting all other requirements of this solicitation, Bidders must also adhere to all of the Mandatory (M) Business, Functional and Technical requirements of this section to be responsive.

The State has determined that it is best to define its own needs, desired operating objectives, and desired operating environment. The State will not tailor these needs to fit some solution a Bidder may have available; rather, the Bidder shall propose to meet the State's needs as defined in this solicitation.

All Business, Functional and Technical, Requirements listed in Exhibit 20 are denoted in the following manner:

(M) are Mandatory and scored on a pass/fail basis. A "Fail" will result in a Bid being deemed non-responsive and, therefore, will be disqualified. Failure to provide a response to each Mandatory requirement where indicated will result in disqualification.

### **6.2 BUSINESS REQUIREMENTS**

#### **6.2.1 Qualifications (M)**

The Bidder is expected to have a proven record of success and be responsible for all aspects of the service, including any Subcontractors and the project team/staff proposed.

Bidders must meet the minimum Bidder Qualification Requirements. The length of time in Business must equal or exceed three (3) Years. Failure to meet the minimum requirement shall result in a bid being deemed non-responsive and, therefore disqualified.

##### **6.2.1.1 Bidder Qualification Requirements (M)**

Bidders must complete and submit as part of the bid response, Exhibit 19.1, Bidder Qualification Form, to confirm that the Bidder's experience meets all the minimum requirements indicated. It is incumbent on the Bidder to provide enough detail in the response for the State to evaluate the Bidder's ability to meet the requirements and perform the services as described in this solicitation. Bidders must provide information for five (5) projects. Separate Exhibit 19.1, Bidder Qualification Form must be used for every project used to meet the minimum level of required experience. One (1) project may meet multiple requirements.

Experience must have occurred within five (5) years prior to the solicitation release date for all projects and must have been completed in the United States of America.

##### **6.2.1.2 Bidder References (M)**

Bidders must complete and submit as part of the bid response, Exhibit 19.2, Bidder Reference Form, for each of the projects cited on each corresponding Exhibit 19.1, Bidder Qualification Form.

Each reference must meet the following criteria:

- Every customer has at least 250 filers of the COTS Software in production.

- Customer has bidders software installed and in productive use for at least six (6) months as of the final bid Submission (as indicated in Section 1.7: Key Action Dates)
- Each customer's bidder's COTS software has been deployed within the (put into production) within the Past Three (3) Years

At least one customer must have a minimum of 500 filers of the COTS software in production.

Failure to meet the criteria shall result in a bid being deemed non-responsive and, therefore disqualified.

References may be contacted to validate submitted responses and points will be awarded based on customer satisfaction in accordance with Section 9, EVALUATION. References must be external to a Bidder's organization and corporate structure.

Failure to provide verifiable references may cause the Bid to be rejected. The purpose of the Bidder References requirement is to provide the State the ability to assess the Bidder's prior record and experience in providing similar or relevant services to other organizations. The description of their projects must be detailed and comprehensive enough to permit the State to assess the similarity of those projects to the work anticipated for the contract resulting from this procurement. References must include all information required on Exhibit 19.2, Bidder Reference Form.

Exhibit 19.2, Bidder Reference Form, must be completed in its entirety, signed\*\*, and dated by a client reference contact that performed a management or supervisory role on the reference project to be considered responsive. The Exhibit 19.2, Bidder Reference Forms must be returned to the Bidder for submission with the bid. Photocopies will be accepted as long as the form, response, and signature are legible. No information corrections or changes may be made on the reference form by the Bidder. Forms with alterations or changes to the entered information may be rejected.

\*\*If the Client reference is not allowed either legally or by company/organization policy to sign the Client reference form, the Client reference must type in their full name with a brief statement on the form outlining the reason they are not permitted to sign the States reference form. If needed, the State may contact either the Bidder and/or Staff References to validate the reference submitted. The Evaluation Team will make two (2) attempts via phone and/or email to validate Bidder and/or Staff experience using the information provided in the Bidder and/or Staff Reference forms, as applicable.

### **6.3 FUNCTIONAL AND TECHNICAL REQUIREMENTS (M)**

Bidders must complete Exhibit 20 and include each exhibit in their Final Bid in accordance with Section 6, BUSINESS, FUNCTIONAL AND TECHNICAL REQUIREMENTS and Section 8, BID FORMAT:

Exhibit 20, BUSINESS AND/OR FUNCTIONAL AND TECHNICAL REQUIREMENTS details the Functional and Technical Requirements for the SEFS to address the Functional and Technical objectives described in Section 4, Proposed System.

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## 7 COST SECTION

### 7.1 INTRODUCTION

Cost is a primary evaluation criterion weighted at (50%) of the total points (500). Evaluation in this category will be based on the lowest total estimated net cost as calculated according to the methodology in this Section and Section 9, EVALUATION.

All proposed costs for all line items must be all inclusive, thereby including the cost of any and all services required in this solicitation.

The intent is to structure the pricing format in order to facilitate a straightforward comparison among all Bidders and foster competition to obtain the best market pricing. Consequently, the FPPC requires that each Bidder's cost be in the format outlined in this Section. Therefore, Bidders are advised that failure to comply with the instructions listed in this Section, such as submission of incomplete bids or use of alternative pricing structures or different formats than the one requested, may result in the rejection of their Bids for non-responsiveness.

Important Note: It is imperative that no cost information be included in the body of the Bid. Cost information shall only be submitted in the Bidder's Response, Volume 3, Cost Data in accordance with Section 8, BID FORMAT.

The State intends to acquire a system and related services based on the selection criteria as set forth in the IFB. Bidders must provide responses to all requirements and proposed costs for all components of SEFS project, as required in Exhibit 16, Cost Workbook, Tab-1 through Tab-6, including:

- Total Cost Summary (Tab-1)
- Bidder Software Costs (Tab-2)
- Hosting Costs (Tab-3)
- Bidder Implementation Costs (Tab-4)
- Bidder Support Costs (Tab-5)
- Bidder Labor Rates (Tab-6)

Bidders are responsible for including all the cost items necessary for meeting the requirements contained in IFB 8620-006.

**In the Final Bid**, Bidders must submit two (2) separate Exhibit 16, Cost Workbooks. One Exhibit 16, Cost Workbook must contain costs for hosting the SEFS at OTech and the other Exhibit 16, Cost Workbook must contain costs for hosting the SEFS at a commercial cloud service. The workbooks must provide all cost information, including amounts, in a separately sealed envelope and clearly marked "**Volume III, Cost Data.**" Failure to adhere to this bid requirement will be considered a material deviation and the bid will be rejected.

Sealed cost data in the Final Bid will not be examined until after the Evaluation Team has determined that the Bidder's bid is fully compliant with the format and mandatory requirements of



this IFB and is scored. All proposed system components, including hosting costs, must be included in the Bidder's bid and accounted for in the Bidder's cost data.

Any proposed system component that is not specifically priced or identified in the Bidder's cost data, or that is identified after contract award as necessary to meet the requirements of the IFB, will be assumed by the State to be included at no additional cost. All prices provided by the Bidder shall be valid for a period of one hundred twenty (120) days from the due date of the Final Bid. However, a Bidder may extend the offer beyond one hundred twenty (120) days in the event of a delay of contract award.

### 7.1.1 Market Price Estimates

To prepare for this IFB and its associated Feasibility Study Report (FSR), the State conducted a thorough market price comparison to estimate the price for SEFS. In preparing bids, Bidders are strongly urged to consider the State's pricing estimates for this project.

#### 7.1.1.1 One-Time Costs

The State has estimated and received initial Department of Technology approval for one-time software, and implementation services costs which is displayed in the table below.

Department: FPPC  
Project: SEI Enhanced Filing System

All Costs Should be shown in whole (unrounded) dollars.  
Date Prepared: Dec 10, 2014

	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	TOTAL
	Amts	Amts	Amts	Amts	Amts
<b>One-Time IT Project Costs</b>					
Hardware Purchase	0	0	0	0	0
Software Purchase/License (1)	0	150,000	0	0	150,000
Telecommunications	0	0	0	0	0
<b>Contract Services</b>					
Software Customization (2)		300,000	51,000	0	351,000
Project Management	0	0	0	0	0
IV&V Services	0	0	0	0	0
Other Contract Services					
TOTAL Contract Services	0	300,000	51,000	0	351,000
Data Center Services	0	60,000	13,600	0	73,600
Agency Facilities	0	0	0	0	0
Other	0	0	0	0	0
<b>Total One-time IT Costs</b>	<b>0</b>	<b>510,000</b>	<b>64,600</b>	<b>0</b>	<b>574,600</b>

(1) The system will be implemented halfway through the 16/17 fiscal year. The \$150,000 accounts for a half year of vendor license and subscription fees of \$300,000

(2) This is the cost for customization of the MOTS system above and beyond the annual subscription fees.

(3) Department of Technology oversight resource

While the Bidder is not required to price its one-time costs within each FSR subcomponent (e.g., software versus implementation services) estimate, the State has very little ability to exceed this total one-time project cost. Thus, Bidders are strongly urged to ensure that their total one-time cost is at or below the State's estimate. Failure to do so may result in the State's inability to award the contract.

#### 7.1.1.2 Ongoing Costs During Implementation

The State has received Department of Technology approval for ongoing costs during the SEFS phased implementation. These costs cover software maintenance and licenses and hosting services that are needed during fiscal year 2017/18 after products and solutions have been installed and accepted as part of the phased implementation, but before the annual operations

and maintenance contract is started upon full SEFS acceptance. Costs budgeted for these items are the following:

- Software Maintenance/Licensing (\$249,000)
- Hosting services (\$66,400)

### **7.1.1.3 Ongoing Costs During Annual Operations and Maintenance**

The State has estimated and received Department of Technology approval for the yearly operations and maintenance cost after full implementation and acceptance of SEFS as follows:

- Software Maintenance/Licensing (\$300,000)
- Hosting services (\$80,000)

While the Bidder is not required to price its operations and maintenance cost within the State's estimates, the State has very little ability to exceed its overall cost of annual operations and maintenance. Thus, Bidders are strongly urged to ensure that their operations and maintenance cost is at or below the State's estimate. Failure to do so may result in the State's inability to award the contract.

## **7.2 COST WORKBOOK INSTRUCTIONS**

The Cost Worksheets list all cost items required to implement, maintain and operate the proposed services. Bidders are required to complete all of the cost worksheets, even if there are no costs for the item indicated on the worksheets. In these instances the Bidder must indicate the cost as a zero (\$0). In addition, if any character other than a numeral is used (e.g., a dash), the State will assume the cost of the item to be zero (\$0). All other fields must not be modified. If the Cost Worksheet is modified or cells are left blank, the State may reject the bid. The Cost Worksheets must be filled out completely or the Bid may be rejected.

The State has populated some of the cells with formulas, however it is the responsibility of the Bidder to ensure worksheets and calculations are correct and accurate. The State will not assume responsibility for any cost figures that do not calculate properly.

### **7.2.1 Cost Workbook Categories**

In order to derive the project costs, various cost categories are included in the cost worksheets. A summary of these cost categories is provided below.

#### **7.2.1.1 Software Costs**

The Bidder shall identify *all* software costs required to design, develop, configure, test, implement and operate SEFS. These costs will contain the Bidder's one-time and ongoing costs for all non-Hosting provided software items proposed for each phase of the Project, as well as ongoing non-hosting software costs for the operations and maintenance years. The Bidder should describe all proposed software, including quantity, manufacturer, brand name and version number for the items being proposed.

#### **7.2.1.2 Hosting Costs**

The Bidder shall identify *all* hosting costs required to design, develop, implement and operate SEFS. These costs will contain the one-time hosting setup costs and ongoing hosting costs for all hosting-provided items proposed by the Bidder for each phase of the Project, as well as ongoing hosting costs for the operations and maintenance years. Costs should reflect all costs associated with the purchase, delivery, installation, inspection, licenses and production of the hosting components

#### **7.2.1.3 Implementation Costs**

The Bidder shall provide the total *one-time* implementation services costs and other one-time costs required to design, develop and implement SEFS (e.g., project management, business process reengineering, data conversion, testing, training, transition). The implementation services costs shall contain the Bidder's deliverable-based fixed price for providing the various services associated with the implementation required for the Project.

#### **7.2.1.4 Support Costs**

The Bidder shall identify all ongoing costs required to support the implementation of SEFS. These costs will contain the ongoing Bidder-provided support services costs once functionality has been accepted in each phase of the Project, as well as ongoing support costs for the operations and maintenance years.

#### **7.2.1.5 Bidder Labor Rates**

The State may request that the Contractor provide additional services that were not originally envisioned. These service requests will be handled via Work Authorization (Exhibit 22). The Bidder shall provide a firm fixed rate for project and development staff that will be used to design, develop and implement these modifications to the SEFS System. These fixed rates shall apply throughout the term of the contracted period.

#### **7.2.1.6 Annual Operations and Maintenance Period**

When defining ongoing costs during the operations and maintenance years, the Bidder shall provide total *annual* costs for products and services after implementation of all project phases for a term of one (1) year. The Bidder shall then provide *annual* costs for products and services for an additional four (4) years. The State, at its sole discretion, may exercise its option to execute four (4), one-year extensions to perform on-going maintenance and operations. ***The operations and maintenance contract shall not begin prior to Acceptance of the full SEFS solution by FPPC.***

### **7.3 COST WORKBOOK**

The State has made available a Cost Workbook (in Excel format), Exhibit 16, to each Bidder. This pre-formatted workbook contains six (6) worksheets, as follows:

1. *Total Cost Summary Worksheet* – A summary of total system costs.
2. *Bidder Software Costs Worksheet* – For specification and pricing of all one-time and ongoing software costs.

3. *Hosting Costs Worksheet* – For specification and pricing of all one-time and ongoing Hosting services costs.
4. *Bidder Implementation Costs Worksheet* – For specification and pricing of one-time Bidder-provided services costs associated with implementation of the SEFS solution.
5. *Bidder Support Costs Worksheet* – For specification and pricing of ongoing Bidder-provided services costs associated with support of the SEFS solution.
6. *Bidder Labor Rates Worksheet* – For specification of Bidder staff firm fixed rates for modifications to SEFS.

Bidders are responsible for entering cost data in the format prescribed by the Cost Workbook. Formulas have been inserted in the appropriate cells of the worksheets to automatically calculate summary numbers, and typically should not be altered. The Bidder shall adjust the number of phases to be consistent with its proposed phased implementation approach. The Bidder may also adjust the distribution of costs in each phase or year by adjusting the percentages located on the right side of the spreadsheet. Further instructions for entering cost data are included in the workbook. **It is the sole responsibility of Bidder to ensure that all mathematical calculations are correct in Volume 3 of the Final Bid.**

Completion of the Cost Workbook and worksheets is mandatory. Applicable purchase, delivery, tax, installation, safety inspection, license, travel, training and any other expenses associated with the delivery and implementation of the proposed items must be included in the Bidder's firm fixed price. There shall be no assumptions, conditions, or constraints included in the cost proposed.

NOTE: Cost amounts shall only be provided in the Final Bid, Volume 3. Please refer to Section VII.1 for instructions related to Final Bid submissions of the Cost Workbook.

### **7.3.1 Total Cost Summary Worksheet (Tab 1)**

The Total Cost Summary worksheet will calculate the Bidder's total price to provide all systems and services as proposed, including software, hosting and implementation services for each phase of the project, as well as annual operations and maintenance costs upon SEFS Acceptance. All overhead or other cost items must be built into and included within the total price proposed by the Bidder.

Hardware items will be procured through a separate procurement process.

### **7.3.2 Bidder Software Costs Worksheet (Tab 2)**

The Bidder Software Costs worksheet will contain the Bidder's firm fixed price for all software items, including licenses, utilities, and other software products, proposed for the Project. The Bidder shall describe all proposed software products by product name, manufacturer, and version/release number for the items being proposed.

There are two sections in the worksheet -- one section for one-time purchased software items, and another section for ongoing software costs during both the phased implementation and the annual operations and maintenance period. The Bidder must make sure that these sections match. For example, if the Bidder proposes "x" reporting software licenses in the one-time costs

section, there should be a corresponding number of ongoing reporting software licenses in the ongoing costs section.

### **7.3.3 Hosting Costs Worksheet (Tab 3)**

The Bidder shall identify *all* one-time and ongoing hosting costs required to design, develop, implement and maintain SEFS for each phase of the Project including maintenance and operations years. The Bidder should describe all hosting being proposed and shall identify all costs associated with the provisioning and delivery of the hosting components

There are two sections in the worksheet -- one section for one-time setup charges for hosting-provided items, and another section for ongoing hosting costs during both the phased implementation and the annual operations and maintenance period. The Bidder must make sure that these sections match. For example, if the Bidder proposes “x” hosting-provided database licenses in the one-time costs section, there should be a corresponding number of ongoing database licenses in the ongoing costs section.

### **7.3.4 Bidder Implementation Costs Worksheet (Tab 4)**

The Bidder Implementation Costs worksheet will contain the Bidder's firm fixed price for providing the various services associated with delivering and implementing all the products and services required for the SEFS Project. , software and hosting costs must not be included here. This worksheet should reflect all Bidder-provided implementation services including project management services, testing costs, training costs, data conversion costs,.

The Bidder shall identify all proposed implementation services by phase, and all costs shall be incorporated into deliverables that will be produced as a result. Deliverables proposed by the Bidder must include each deliverable identified in the worksheet provided by the State (also listed in Appendix B, Implementation Requirements, Project Deliverables), It is expected that certain deliverables (e.g., planning deliverables) will be completed once during the entire project, while other deliverables related to phased functionality (e.g., test results, phase completion and acceptance) will be completed in each implementation phase.

### **7.3.5 Bidder Support Costs Worksheet (Tab 5)**

The Bidder Support Costs worksheet will contain the Bidder's firm fixed price for providing services to support functionality that has been previously accepted during the phased implementation but prior to full SEFS system acceptance, as well as annual costs for the operations and maintenance years after implementation of all project phases and full SEFS system acceptance.

The Bidder shall provide item descriptions and costs associated with satisfying SEFS Service Support requirements including help desk, system maintenance and operations, application maintenance, business operations support, and performance management. Ongoing software costs and hosting-provided services costs are identified in other worksheets and should not be included in this Bidder Support Costs worksheet.

### **7.3.6 Bidder Labor Rates Worksheet (Tab 6)**

The Bidder Labor Rates worksheet shall include the Bidder's firm fixed rate for project and development staff that will be used to design, develop and implement application modifications and upgrades to the SEFS System. Bidders must identify its standard staff positions in the worksheet and provide hourly rates for each position. These fixed rates shall apply throughout the term of the contracted period. Bidders may apply a maximum annual escalation of 5% for staff rates, following Acceptance of SEFS.

### **7.4 PROJECT PAYMENT TERMS**

In accordance with Public Contract Code, Section 12112, the State will withhold, from each invoiced payment amount to the Contractor, an amount equal to ten percent (10%) of the payment per Section 5.6.5 and the SOW.

The payment schedule for SEFS Implementation is deliverables-based except for maintenance and operations services (Cost Workbook Exhibit 16), which are paid monthly in arrears at the rate indicated in Bidder Support Costs Worksheet (Tab 6).

### **7.5 SALES TAX**

Sales tax is not to be included in the Cost Worksheets. If awarded the contract, sales tax, if applicable, should be added at time of invoicing. The sales tax rate applied should be based on the rate of the area where the service is to be provided.

See Board of Equalization Regulation 1502 (f) (1) (D).



## **8 BID FORMAT SECTION**

### **8.1 BID FORMAT**

These instructions identify the mandatory Bid format and the approach for the development and presentation of bids. Format instructions must be followed, all requirements and questions in the solicitation must be answered and all requested data must be supplied. The Bidder shall carefully examine the solicitation and be satisfied with the compliance conditions prior to submitting a bid.

It is important that all Bids be submitted in sealed envelopes/containers and clearly marked or they may be rejected. Bid submittals must be in the number of copies indicated in Section 8.4., Formatting.

The Final Bid is a mandatory step for all Bidders. Bidders are strongly encouraged to follow the scheduled steps of this procurement to the extent that they are offered in order to increase the chance of submitting a compliant Final Bid. Cost information provided in any submission other than the Bid Volume 3, may disqualify the Bidder and preclude the Bidder from continuing in the procurement process.

The State will not be liable for any costs incurred by any Bidder in responding to this solicitation, regardless of whether the State awards the contract through this process, decides not to move forward with the project, cancels this solicitation for any reason, or contracts for the Project through other processes or by issuing another solicitation.

### **8.2 DATE, TIME, AND ADDRESS OF SUBMITTALS**

Mail or deliver bids to the Procurement Official listed in Section 1.6. If mailed, it is suggested that Bidders use certified or registered mail with return receipt requested, as delivery of documents is at the Bidder's own risk of untimely delivery, lost mail, etc.

Bids must be received no later than the date and time specified in Section 1.7, *KEY ACTION DATES*. A Bid not received by the date and time specified in Section 1.7, *KEY ACTION DATES*, shall be rejected.

### **8.3 PACKAGING AND LABELING**

Bidders may provide all of their Bid documents at the same time within the same package (box or boxes). The overall package shall be sealed and labeled as follows:

- 1) The Bidder's name and address
- 2) The IFB number " IFB 8620-006"
- 3) Identification of the submittal as "Bid"
- 4) Box "# of #", if more than one (1) box is required for the entire submission.

Each binder and CD must be plainly marked with:

- 1) The Bidder's name
- 2) The IFB number " IFB 8620-006"
- 3) Identification of the submittal as "Bid"



- 4) The Volume number and title as appropriate:
  - a. **Volume 1 – Response to Administration, Functional and Technical Requirements**
  - b. **Volume 2 – Std. 213 and Statement of Work**
  - c. **Volume 3 – Cost**
  - d. **Volume 4 – Literature**

Volume 3, Cost Information, (both binder and CDs) should be in its own sealed package (or envelope) that is separate from Volumes 1, 2, 4. If the Cost Information is not submitted in its own separately sealed package (or envelope), the Bid may be rejected.

#### **8.4 FORMATTING**

It is the Bidder's responsibility to ensure its Bid is submitted in a manner that enables the Evaluation Team to easily locate all response descriptions and exhibits for each requirement of this solicitation. Page numbers should be located in the same page position throughout the Bid. Each page should be numbered with the section reference (e.g., Section 2, Page 3 of 21) to make easy reference possible. Figures, tables, charts, etc., should be assigned index numbers and should be referenced by these numbers in the text and in the Table of Contents. Figures, tables, charts, etc., should be placed as close to text references as possible. The Bid should be tabbed, to identify the volume and section.

Bids must be submitted in printed format (hard copy), and also in electronic file format (soft copy) on a CD or a USB compatible portable data storage device as follows:

- 1) All hard copy must be on standard 8.5" x 11" paper, except for charts, diagrams, and similar materials, which may be foldouts. If foldouts are used, the folded size must fit within the 8.5" x 11" format. Hard copy of large size drawings shall not be larger than Standard E-size format.
- 2) Double sided printing is preferred. The following must be shown on each page of the Bid:
  - IFB 8620-006
  - Name of Bidder
  - Bid Volume Number
  - Bid Part or Exhibit Number
  - Page number (Page X of XX)
- 3) Soft copies of the Bids must be in Microsoft Word 2010 and Excel 2010 as appropriate, or compatible, except electronic files of drawings shall be compatible with Microsoft Visio 2010.
- 4) Each Volume submitted shall be provided in the following number of copies:
  - a. Three (3) hard copies (printed), one (1) copy marked Master, for a total of four copies.

- b. Two (2) soft copies (CD's or a USB compatible portable data storage device) One soft copy CD should be identified as cost and be included in Volume 3.
- c. All hard copy submittals should use clearly marked tabs, page numbers and table of contents for effective access to the Bidder's material. Similarly, soft copies should be organized into appropriate files and folders designed for easy access. The **MASTER COPY** must contain original signatures or initials wherever a signature or initials are required. If discrepancies exist between two (2) or more copies of the bid, the bid may be rejected. However, if not rejected, the Master Copy will provide the basis for resolving such discrepancies.

Bidders should be sure that no pricing information of any type is shown in their Bid response, except in the sealed "Cost" envelope of the Bid, Volume 3. The inclusion of pricing in any fashion or format in any other place in the Bid, except for the sealed Cost Data in the Bid, may result in immediate rejection of the bid.

As stated in Section 2.3.3, Confidentiality, Bidders should be aware that marking the Final Bid "confidential" or "proprietary" may exclude it from consideration for award.

## **8.5 FINAL BID FORMAT DETAIL**

Each Volume of the Bid must be provided separately in a three-ring binder, submitted in the number of hard copies indicated in this section, and must be structured in the following manner:

### **8.5.1 Volume I**

Volume I: Response to Requirements:

1) Table of Contents

This section must contain a Table of Contents. All major parts of the Bid, including forms, must be identified by volume and page number. The Table of Contents must identify all figures, charts, graphs, etc.

2) Cover Letter

3) Required solicitation Exhibits, in the Following Order:

- a) Exhibit 1: Intent to Bid form (if not already submitted)
- b) Exhibit 2: Confidentiality Statement (if not already submitted)
- c) Exhibit 3: Response to Administrative Requirements
- d) Exhibit 4: Workers' Compensation Certification
- e) Exhibit 5: List of Proposed Subcontractors (Public Works) (Not applicable)
- f) Exhibit 6: Contractor's License Information (Not applicable)
- g) Exhibit 7: Payee Data Record
- h) Exhibit 8: Certification for Use Tax for Seller's Permit
- i) Exhibit 9: Secretary of State Certification
- j) Exhibit 10: Iran Contracting Act of 2010
- k) Exhibit 11: Bidding Preferences and Incentives
- l) Exhibit 12: GSPD 05-105, Bidder Declaration

- m) Exhibit 13: DVBE Declarations
- n) Exhibit 17: Commercially Useful Function Certification Form

**Preference/Incentive Exhibits (required only as indicated)**

- a) Exhibit 14: STD 830, TACPA Preference Request (required if claiming TACPA preference)

**Response to Business, Functional and Technical Requirements. Required solicitation Exhibits, in the following order:**

- a) Exhibits 19.1 through 19.2: Bidder's Qualifications Form(s) and Bidder Reference Form(s)
- b) Exhibit 21: Deliverables Table

**8.5.2 Volume 2**

- 1) Exhibit 15: STD 213, Standard Agreement
- 2) Appendix A: Statement of Work

**8.5.3 Volume 3**

Volume 3 Cost

This volume must be in a separately sealed, marked envelope or container containing:

(Exhibit 16/Cost Worksheet #) - Cost Bid Table

**8.5.4 Volume 4**

This volume must contain all technical and other reference literature necessary to support the responses to the requirements of this solicitation.

## **9 EVALUATION SECTION**

### **9.1 INTRODUCTION**

This section presents the evaluation process and scoring procedures the State will follow in reviewing bids submitted in response to this solicitation. The evaluation process is multi-step, comprised of a thorough review of each Bidder's qualifications and its bid to determine that it is responsive, and offers "best value" to the State. The best value bid is that bid which meets all requirements set forth in this solicitation and offers the State the best combination of administrative, business, functional and technical and cost value as determined through the evaluation process specified in this section.

Final selection will be based on compliance with all requirements, fifty percent (50%)-scored Bidders Experience and Bidders References, and fifty percent (50%) Cost among the bids that is responsive to the solicitation requirements. Responsiveness is comprised of meeting all administrative, business, functional technical and cost requirements, and conforming to the Rules Governing Competition in Section 2 of the solicitation. Bids that do not comply with the mandatory components stipulated in the solicitation may be deemed non-responsive and excluded from further consideration by the State. The State reserves the right to cancel this procurement in its entirety at any time.

Bidders are required to thoroughly review all solicitation requirements to ensure that the Bid and the Bid responses are fully compliant with the solicitation requirements and thereby avoid the possibility of being ruled non-responsive. If the Evaluation Team finds that a Final Bid has a material deviation from specified requirements, the Bid will be considered non-responsive and will not be considered for award.

### **9.2 EVALUATION TEAM**

This procurement is being conducted under the guidance of a Procurement Official from Department of Technology STPD (refer to Section 1.6, Procurement Official). The Procurement Official will serve as the contact point with the Bidder for questions and clarification, and will identify the rules governing this procurement.

STPD may engage additional qualified individuals or subject matter experts during the evaluation process to assist the Evaluation Team in gaining a better understanding of technical, financial, legal, contractual, or program issues. These other individuals do not have voting privileges or responsibility for the evaluation process, but they will serve in an advisory capacity.

### **9.3 EVALUATION AND SCORING OF BIDS**

The purpose of this Section of the solicitation is to outline how the points will be awarded in a manner that preserves the integrity of the competitive procurement process. During Bid Evaluation, failure to respond to a mandatory requirement is considered non-responsive and may be considered a material deviation. A material deviation will result in Bidder disqualification.

The maximum points available for this solicitation are 500 points. All point calculations will be rounded to two (2) decimal places (the nearest hundredth). The Cost Data will only be opened if

Bids are compliant to the Administrative Requirements and the Business, Functional and Technical Requirements. Bidders that have a material deviation will be deemed non-responsive and their Cost Data will not be opened. The distribution and allocation of maximum points possible for each bid element is as follows:

**Bid Scoring – Point Distribution (Point values in the examples below explain the calculations and have no other significance)**

**Table 9-1: Scoring and Point Distribution**

<b>Maximum possible Scores for each Evaluation Area</b>	
<b>Preliminary Review and Validation</b>	<b>Pass/Fail</b>
<b>Section 5, Administrative Requirements</b>	<b>Pass/Fail</b>
<b>Section 6, Business, Functional and Technical Requirements</b>	<b>Maximum Score (250)</b>
Bidder Qualification Forms	130
Bidder Reference Forms	120
Exhibit 20 - Mandatory Requirements	Pass/Fail
<b>Section 7, Cost Data</b>	<b>Maximum Score (250)</b>
Cost Worksheet	250
<b>Incentive Points</b>	<b>Maximum Score (50)</b>
Maximum Small Business Preference Points	25
DVBE Incentive Points	<b>25</b>
<b>Total Possible Score</b>	<b>550</b>

**9.3.1 Receipt**

Upon receipt, the STPD Procurement Official will verify that all responses are submitted under an appropriate cover, sealed, and properly identified.

**9.3.2 Preliminary Review and Validation**

All Bids received by the time and date specified in Section 1.7 KEY ACTION DATES, will be acknowledged as having been received at that time. Bidder’s Response, Volume 3 – Cost Data (including the CD or a USB compatible portable data storage device of Volume 3), shall remain sealed and in the possession of the Procurement Official listed in Section 1.6, until the evaluations of all Bidder Response volumes have been completed for all Bidders submitting a Bid. The Bids will be checked by the Procurement Official for the presence of proper

identification and the presence of required information, in conformance with the bid submittal requirements of Section 8, Bid Format. Absence of required information may make the Bid non-responsive and may result in Bidder disqualification.

### **9.3.3 Preference and Incentive Programs**

Bidders who claim preference points will be evaluated to determine whether they submitted the forms, documents, exhibits, and/or responses necessary to validate their qualification and eligibility for the claimed points. If the State Evaluation Team determines that the submitted information is insufficient, or that required documents do not otherwise validate the eligibility for points in any of the claimed programs, then the claimed points for that program will not be added to the Bidder's final overall bid score. If the Evaluation Team is able to validate the Bidder's claim, the qualified preference points will be applied to the Bidder's final overall bid score as illustrated in Table 9-9, Final Bid Score with Small Business provided that the Bidder's bid is not otherwise determined to be non-responsive to any Mandatory requirements.

## **9.4 ADMINISTRATIVE REQUIREMENTS EVALUATION (M)**

Requirements in Section 5, Administrative Requirements Section labeled with (M) are mandatory, with the exception of Section 5.2.2, Small Business Preference. Administrative Requirements in Section 5, labeled with (O) are Optional and Bidders are not required to respond. Review of the detailed Bids will begin with ensuring that the Bidder has responded to all Administrative Requirements specified in Section 5, Administrative Requirements for the appropriate Bid submittal documents.

Only Bids passing the mandatory Administrative, Business and Functional and Technical Requirements Evaluation will proceed to cost opening. If a Bid fails to meet any of the Mandatory requirements specified in Section 5, ADMINISTRATIVE REQUIREMENTS SECTION, the State will determine if the deviation is material. If the deviation is determined to be material, the Bid will be considered non-responsive and shall result in Bidder disqualification.

## **9.5 BUSINESS REQUIREMENTS EVALUATION**

### **9.5.1 Validation Against Requirements**

The State will check each Bid in detail to determine its compliance to the solicitation requirements. The State reserves the right to determine if the Bidder's response to a requirement, as detailed in their description and/or supporting documentation, supports or contradicts the Bidder's claim of intended compliance. If a bid fails to meet a solicitation Mandatory requirement, the State will determine if the deviation(s) is Material. A Material Deviation is cause for rejection of the bid. A material deviation cannot be waived.

During the Evaluation of the Bids, the State Evaluation Team may request that the Bidder clarify any area of the Bid that the State Evaluation Team determined to be unclear. However, this request for clarification will not be an opportunity for the Bidder to change their bid.

### **9.5.2 Mandatory Qualification Requirements Evaluation**

The State Evaluation Team will review each bid to determine its compliance with all of the requirements set forth in Section 6, Business, Functional and Technical Requirements.

Each submitted bid will be evaluated and scored by a consensus of the State Evaluation Team for compliance with the requirements designated in Section 6. If a Bid fails to meet any of the requirements specified in Section 6, the State will determine if the deviation is material.

All information submitted in the bid will be evaluated in determining Bidder Qualifications. Narrative descriptions on the Bidder Qualification Form, Exhibit 19.1 must be clear and apply directly to the relevant requirement. Narrative descriptions may be used to validate the other information on all forms. Any conflicting information may be deemed non-responsive and may result in the bid being disqualified.

To aid the State in evaluating Bidder Qualifications, Bidders should use a MM/DD/YYYY format when indicating start and end dates for project history on Exhibits 19.1, Bidder Qualification Form. If a Bidder submits a bid in any other format, the State Evaluation Team will count only the whole months or years between the start and end dates. For example, Bidder "A" cites a start and end date for Project 1 as 6/2011 to 12/2011. The Bidder would only be credited with five (5) months of experience.

If a project end date identified on the Bidder Qualification form exceeds the Final Bid due date (on-going project) then the bidder will receive credit for only the experience acquired up to the Final Bid due date.

### **9.5.3 Bidder Experience**

The State Evaluation Team will evaluate the Bidders qualifications using the information contained in Exhibit 19.1, Bidder Qualification Form.

The submitted form will be evaluated for compliance with the requirements specified in Section 6.2, Business Requirements and in accordance with the criteria set forth in Exhibit 19.1, Bidder Qualification Form. If any submitted form fails to adequately document the Bidder experience and how it meets the requirements, the State will determine if the deviation is material. If the deviation is determined to be material, the Bid will be considered non-responsive.

Client contacts listed on attachments may be contacted to verify information provided by the Bidder

#### **9.5.3.1 Bidder Qualification Form (Maximum Score = 130 Points)**

- (1) The state evaluation team will assess and score the bidder's background and qualifications using the information provided in Exhibit 19.1, Bidder Qualification Form, submitted in the final bid.
- (2) The response to each of the scorable criteria in Exhibit 19.1 will be scored based on the rating scale in Table 9-2: Bidder Qualifications Scoring Criteria.

**Table 9-2: Bidder Qualifications Scoring Criteria**

<b>CRITERIA</b>	<b>POINT VALUE</b>	<b>TOTAL POINTS AVAILABLE</b>
Length of Time in Business (minimum of three (3) years)	30 Points for 8+ years 20 Points for 6 to 7 Years, inclusive 15 Points for 4 to 5 Years, inclusive 5 Points for 3 Years	30
Cumulative Length of Time Providing COTS software to All Clients	50 Points for 10+ years 40 Points for 8 to 9 Years, inclusive 30 Points for 6 to 7 Years, inclusive 15 Points for 4 to 5 Years, inclusive 5 Points for 3 Years	50
Number of Clients Using the Proposed COTS software: (i.e., number of bidder installations)	50 Points for 10+ Clients 40 Points for 8 to 9 Clients, inclusive 30 Points for 6 to 7 Clients, inclusive 15 Points for 4 to 5 Clients, inclusive 5 Points for 3 Clients	50
<b>Maximum Possible Points</b>		<b>Pass/Fail and 130 points</b>

#### **9.5.4 Bidder References**

The State Evaluation Team will evaluate the Bidder’s references using the information provided in each Exhibit 19.2, Bidder Reference Forms.

To achieve maximum points, five (5) references must be submitted, one (1) for each project cited. Each Bidder Reference Form must be signed by a client reference contact that performed an oversight role on the referenced project.

All reference forms must be returned with the bid submittal in order to meet the Bidder minimum experience requirements. Bidders who do not return the required Reference Forms shall be deemed non-responsive.

If the Client reference is not allowed either legally or by company/organization policy to sign the Client reference form, the Client reference must type in their full name with a brief statement on the form outlining the reason they are not permitted to sign the States reference form. If needed, the State may contact either the Bidder References to validate the reference submitted. The Evaluation Team will make two (2) attempts via phone and/or email to validate Bidder experience using the information provided in the Bidder Reference forms, as applicable.



Reference scores will be calculated by totaling the ratings from each reference form submitted. Each total rating for all the reference forms submitted will then be totaled together to determine the Bidder's Final evaluated Total Rating score.

If any of the reference questions contain a rating of 0=Unsatisfactory, the bid shall be deemed non-responsive and the Bidder shall be disqualified.

**9.5.4.1 Bidder References (Maximum Score = 120 Points)**

- (1) The state evaluation team will assess and score the bidder's customer references using the information provided in Exhibit 19.2: Bidder Reference Form, submitted in the final bid.
- (2) The reference information submitted by the bidder must meet certain minimum requirements set forth in Exhibit 19.2: Bidder Reference Form, which will be scored on a "Pass/Fail" basis. Each set of questions on a single form is worth a maximum of 24 points, and will be scored in accordance with the reference contact person's answer and the corresponding points. References will be evaluated in accordance with the following procedure:
  - (a) Each Customer Reference Form will be evaluated for completeness. Incomplete forms may be found non-responsive, and the bid may be rejected.
  - (b) The bidder's responses to each of the required information fields will be evaluated for compliance with the minimum requirements for customer references set forth in Exhibit 19.2: Bidder Reference Form.
  - (c) The Customer Reference contact persons' responses to Questions one (1) through five (5) will be evaluated and awarded points in accordance with the point scale set forth in Table 9-3: - Customer Reference Evaluation Criteria and Scoring. A score of zero points for any of the questions will result in a material deviation and the bid will be rejected.
  - (d) The state will attempt to contact the submitted references up to a maximum of two (2) times. If the qualifying reference cannot be reached after two (2) attempts, the State will not consider this reference. The State will contact references during the time period as listed in Section 1.7 KEY ACTION DATES, and between the hours of 8 am to 5 pm EST or PST (depending on the physical location of the reference), Monday through Friday. Upon successful contact, the State will ask the reference contact person to confirm and validate the information provided on the Customer Reference Form. If the response provided by the reference contact person conflicts with the information provided by the bidder on the form, the State will use the reference contact person's response(s) as the basis for assigning or adjusting a pass/fail result, and/or points for the scorable questions.

- (e) If the reference contact person cannot validate the information provided by the bidder, zero points will be assigned for the respective requirement or question, as appropriate. A “zero score for any of the questions will be deemed a material deviation and the bid will be rejected.

**Table 9-3: - Customer Reference Evaluation Criteria and Scoring**

<b>Customer Reference Supplied Responses</b>				
Exceptional = ⑤	Very Good = ④	Satisfactory = ③	Marginal = ②	Unsatisfactory = ①
CRITERIA	POINT VALUE			TOTAL POINTS AVAILABLE
1. Reliability	How do you rate the delivered COTS software reliability? ①=0; ②=1; ③=2; ④=3; ⑤=4			4
2. COTS Software	How do you rate the COTS software? ①=0; ②=1; ③=2; ④=3; ⑤=4			4
3. Implementation	How do you rate their effectiveness in implementing the COTS system? ①=0; ②=1; ③=2; ④=3; ⑤=4			4
4. Customer Support	1. How do you rate their responsiveness and effectiveness of their software update services? ①=0; ②=1; ③=2; ④=3; ⑤=4			4
	2. How do you rate their responsiveness and effectiveness of their helpdesk support? ①=0; ②=1; ③=2; ④=3; ⑤=4			4
5. Customer Satisfaction	How do you rate your overall experience with the bidder? ①=0; ②=1; ③=2; ④=3; ⑤=4			4
<b>Maximum Possible Points</b>				<b>24 per reference (120 Cumulative) for all five references</b>

### 9.5.5 Bidder Client Reference Checks

If needed to verify either the Bidder qualifications, the Evaluation Team will make two (2) attempts via email to validate the Bidder’s experience using the information provided in the Bidder Reference Form, Exhibits 19.2. Bidders should ensure that references are available for validation during the evaluation period identified in Section 1.7, KEY ACTION DATES.

If the Evaluation Team has not received a response from the Bidder Referenced Contact after the first attempt, a second attempt will be made. If no response is received after the second attempt, the Evaluation Team will contact the Bidder and request that the Bidder assist the State by having the reference respond to the State within a 48-hour period from the second attempted contact. If the evaluators are still unable to contact the reference(s), the Bidder may be deemed non-responsive for failure to provide verifiable references and may cause the bid to be rejected.

## 9.6 FUNCTIONAL, TECHNICAL REQUIREMENTS EVALUATION

The Functional and Technical Requirements are listed in (Section 6.3 and Exhibit 20). Business, Functional and Technical Requirements consist of (M) requirements. Bidders must provide a complete response to each (M) requirement, as described in Section 6, BUSINESS, FUNCTIONAL AND TECHNICAL REQUIREMENTS.

The Evaluation Team will evaluate the response to each Business, Functional and Technical Requirement, including any reference materials to which the Evaluation Team is specifically directed for additional information in the Bidder’s response, to determine whether the response fully addresses the requirements in accordance with the criteria in the following tables:

- 1) (Table 9-4) – Evaluation Criteria for the Mandatory (M) Technical Requirements

**Table 9-4: Evaluation Criteria**

<b>Mandatory (M) Technical Requirements Evaluation</b>			
	<b>Evaluation Workflow Questions</b>	<b>Evaluation Criteria</b>	<b>Score</b>
<b>Step 1:</b>	Does the Bidder agree to comply with each requirement?	All Mandatory responses must be marked “Yes” to Pass.	Pass/Fail
<b>Step 2:</b>	Evaluation Outcome	If any of the of the evaluation criteria in Step 1 does not score a “Pass” to any of the Mandatory requirements of Section Section 6.2, 6.3, and Exhibit 20, the Bidder will be deemed non-responsive and disqualified.  All responses must be marked “Yes” to Pass.	Pass/Fail

## 9.7 COST EVALUATION

### 9.7.1 Cost Opening and Assessment (Maximum Score = 250 points)

After the Administrative and Business, Functional and Technical Requirements are evaluated, Cost Data (Bidder’s Response to Volume 3) will be opened and all bids will be validated to verify that the cost worksheets are complete and free of math errors. If appropriate, errors will be corrected in accordance with Section 2.5.4

Cost Data (Bidder’s Response to Volume 3) will not be opened until the Evaluation Team has completed its Administrative and Business, Functional and Technical evaluations. Bidders whose bids have been determined to be responsive will have their sealed Cost Data opened. If a

Bidder has been determined to be non-responsive during the administrative and/or business, functional and technical evaluations, its Cost Data will remain unopened.

NOTE: If a Bidder's Cost Data fails to meet the requirement to be submitted under separate, sealed cover, the State may immediately deem the Bidder's bid to be non-responsive and may discontinue evaluation of the bid.

The Evaluation Team will calculate a Bidder Cost Score for each qualified Bidder's Cost Proposal. The Bidder with the lowest Proposed Total Cost will receive the maximum score of (250) points. All other Bidders will receive a proportionally lower score that is the ratio of the lowest proposed total cost to the Bidder's Proposed Total Cost, applied to the maximum points of (250).

### 9.7.2 Scoring of Cost

Each Bidder's cost score will be calculated based on the ratio of the lowest cost from all responsive bids to the Bidder's cost, multiplied by the maximum number of cost component points available, as shown in the calculation below.

**Table 9-5: Bidder Cost Score Formula**

<b>Bidder Cost Score Formula</b>		
$\frac{\text{(Lowest Total Cost Bid)}}{\text{(Bidder's Total Cost)}}$	X Cost Points Available (250)	<b>= Bidder Cost Score</b>

To help illustrate this process, refer to the following table, Example of Cost Assessment and Scoring Methodology, for an example of the cost score calculation process. NOTE: Cost Assessment figures in the example below explain the calculations and have no other significance.

**Table 9-6: Example of Cost Assessment and Scoring Methodology**

BIDDER	GRAND TOTAL FROM EXHIBIT VIII-D	CALCULATION	COST SCORE
A	\$500,000	$\frac{\$500,000}{\$500,000} \times 250 =$	250
B	\$550,000	$\frac{\$500,000}{\$550,000} \times 250 =$	227.27
C	\$803,650	$\frac{\$500,000}{\$803,650} \times 250 =$	155.54

### 9.7.3 Determination of Overall Final Scores

The total score (Bidder Experience/Reference Score and Costs) will be calculated for each Bid. As appropriate, all necessary adjustments for Small Business Preferences, DVBE and/or TACPA will be calculated and applied to determine the Final Score for each Final Bid.

### 9.7.4 Calculating the Bidder Bid Score

The Bidder Bid Score is the total calculated score (Bidder Requirements Score and Bidder Cost Score) of the Bidder's Final Bid and is calculated as follows in Table 9-7 Bidder Bid Score Formula:

**Table 9-7: Bidder Bid Score calculation**

<b>Bidder Bid Score Formula</b>
+ Bidder Experience (130 Points)
+ Reference Score (120 Points)
+ Bidder Cost Score (250 Points)
<b>= Bidder Bid Score (500 Points)</b>

For an illustration of this process, refer to Table 9-8 Bidder Bid Score Calculation Example. Point values in the example explain the calculations and have no other significance.

**Table 9-8: Bidder Bid Score Calculation**

<b>Bidder Bid Score Calculation Example</b>				
<b>Bidder</b>	<b>Bidder Hypothetical Bidder Experience Score</b>	<b>Bidder Hypothetical Bidder References Score</b>	<b>Bidder Cost Score</b>	<b>Bidder Bid Score</b>
A	90 points	80 points	250 points	420 points
B	110 points	100 points	227.27 points	437.27 points
C	130 points	120 points	155.54 points	405.54 points

### **9.8 EVALUATING SMALL BUSINESS PREFERENCE CLAIM**

Per Government Code Section 14835 et seq., Bidders who qualify as a small business will be given a five percent (5%) preference for evaluation purposes only. The five percent (5%) preference is calculated on the total number of points awarded to the highest scoring non-small business that is responsible and responsive to the bid requirements. The rules and regulations of this law, including the definition of a small business for the delivery of goods and services, are contained in the California Code of Regulations, Title 2, Section 1896 et seq.

This five percent (5%) small business preference is also available to a non-small business claiming 25% California certified small business Subcontractor participation. The five percent (5%) preference is calculated on the total number of points awarded to the highest scoring non-small business that is responsible and responsive to the Bid requirements and that is not subcontracting a minimum of 25% to a small business. Non-small business Bidders claiming the five percent (5%) small business preference must commit to subcontract at least 25% of the net bid price with one (1) or more California certified small businesses.

Completed certification applications and required support documents must be submitted to the Office of Small Business and DVBE Services (OSDS) no later than 5:00 p.m. on the Final Bid due date, and the OSDS must be able to approve the application as submitted. Questions regarding certification should be directed to the OSDS at (916) 375-4940.

For an illustration of this process, refer to Table 9-9 Small Business Preference Points Calculation Example. Points in this example explain the calculations and have no other significance.

The Preference Points for Bidders A and B are based on five percent (5%) of the Bidder Bid Score of Bidder C, the highest scorer of a non-small business, which is  $(250 \text{ points}) \times (.05) = 12.5 \text{ points}$  (rounded). Bidder C, which is neither a small business nor a non-small business subcontracting a minimum of 25 percent (25%) to a small business, receives no Small Business Preference Points.

**Table 9-9: Small Business Preference Points Calculation**

<b>Small Business Preference Points Calculation Example</b>				
<b>Bidder</b>	<b>Bidder Bid Score</b>	<b>Small Business Preference Claim?</b>	<b>Non-Small Business Preference Claim?</b>	<b>Small Business Preference Points Awarded</b>
A	250 points	Yes	No	12.5 points
B	227.27 points	No	Yes	11.36 points
C	155.54 points	No	No	0 points

**9.8.1 Applying DVBE Incentives**

In accordance with Section 999.5(a) of the Military and Veterans Code, for evaluation purposes only, the State shall provide an incentive to Bidders who provide California-certified DVBE participation that exceeds the mandatory California-certified DVBE participation goal in the amounts shown in Table 9-10, DVBE Participation Incentive Formula. The DVBE Incentive points are a percentage of the total possible points. For this procurement, the total points available before incentives and preferences are 25. The maximum incentive for this procurement is five percent (5%) of the total points available, and is based on the amount of DVBE participation confirmed, according to Table 9-10 DVBE Participation Incentive Formula.

**Table 9-10: DVBE Participation Incentive Formula**

<b>DVBE Participation Incentive Points</b>					
<b>Confirmed Participation</b>	<b>DVBE</b>	<b>DVBE Percentage</b>	<b>Incentive</b>	<b>DVBE Points*</b>	<b>Incentive</b>
>= 5%		5%		25 (500 x .05)	
4% - 4.99%		4%		20 (500 x .04)	
3.01% - 3.99%		3%		15 (500 x .03)	
3%		0		0	

### 9.8.2 Calculating the Final Score

The Evaluation Team will determine which Bidder's Final Bid has the highest Bidder Final Score by calculating the sum of the Bidder's scores for all evaluation areas, as shown in Table 9-11 Final Score Formula.

**Table 9-11: Bidder Final Score Formula**

<b>Bidder Final Score Formula</b>	
	+ Bidder Bid Score (Table 9-8)
	+ Small Business/Non-Small Business Preference Points (Table 9-9)
	+ DVBE Incentive Points (Table 9-10)
	<hr/>
	<b>= Bidder Final Evaluated Score</b>

For an illustration of this process, refer to Table 9-12 Bidder Final Score Calculation Example. Percentages and point values used in the example explain the calculations and have no other significance.

**Table 9-12: Bidder Final Score Calculation**

<b>Bidder Final Score Calculation Example</b>					
<b>Bidder</b>	<b>Bidder Bid Score</b>	<b>Small Business Preference Points Awarded</b>	<b>DVBE %</b>	<b>DVBE Points Awarded</b>	<b>Bidder Final Score</b>
A	420 points	12.5 points	3%	0 points	432.5 points
B	437.27 points	11.36 points	4%	15 points	463.63 points
C	405.54 points	0 points	5%	25 points	430.54 points



### 9.8.3 Selecting the Proposed Awardee

Award of contract, if made, will be to a responsible Bidder whose Final Bid complies with all the requirements of the solicitation and any addenda thereto, except for such immaterial defects as may be waived by the State, and whose bid achieves the highest number of total points for requirements, references, cost, and any preferences and/or incentives.

The Evaluation Team will determine which Bidders are responsive and responsible. Of these, the Evaluation Team will determine which Bidder has the highest combined score for Bidder Qualification Forms, Bidder Reference Forms, and cost, up to a maximum of 500 points, plus any preference and/or incentive points. The Evaluation Team will rank all qualified bids by Bidder Final Score and then recommend the Bidder with the highest Bidder Final Score to be the proposed awardee. Table 9-9 Final Score and Rank Determination Example demonstrates how the final rank determination is made.

**Table 9-13: Final Score and Rank Determination**

<b>Final Score and Rank Determination Example</b>				
<b>Scoring Element</b>	<b>Max Points Available</b>	<b>Bidder A</b>	<b>Bidder B</b>	<b>Bidder C</b>
Bidder Experience	130	90	110	130
Bidder References	120	80	100	120
Cost Score	250	250	227.27	155.54
Total Bid Score	500	420	437.27	405.54
<b>Initial Rank (Before Preferences and Incentives)</b>		2	1	3
Small Business Preference Points	25	12.5	11.36	0
DVBE Incentive Points	25	0	15	25
Bidder Final Score	550	432.5	463.63	430.54
<b>Final Rank</b>		<b>2</b>	<b>1</b>	<b>3</b>