

RELEASE DATE: MARCH 10, 2023

The State of Hawaii
Department of Labor and Industrial Relations
Request for Proposals
Solicitation #RFP-23-01-UI
Unemployment Insurance Modernization

OFFERS ARE DUE AT 4:00 PM, HAWAII STANDARD TIME (HST) ON

APRIL 28, 2023

(or such later date as may be established by the State of Hawaii by an Addendum to this RFP)

BY SUBMISSION TO THE STATE OF HAWAII EPROCUREMENT SYSTEM (HIEPRO)

DIRECT ALL QUESTIONS REGARDING THIS RFP, QUESTIONS OR ISSUES RELATING TO THE ACCESSIBILITY OF THIS RFP (INCLUDING THE ATTACHMENTS AND EXHIBITS AND ANY OTHER DOCUMENT RELATED TO THIS RFP) AND REQUESTS FOR ACCOMMODATIONS FOR PERSONS WITH DISABILITIES IN CONNECTION WITH THIS RFP, TO:

LIZABETH THOMAS
TELEPHONE (808) 586-9051 OR
EMAIL ADDRESS LIZABETH.THOMAS@HAWAII.GOV

Anne Eustaquio

Anne Perreira-Eustaquio
Unemployment Insurance Administrator
Department of Labor & Industrial Relations
Unemployment Insurance Division

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ATTACHMENTS

- Attachment A – Service Level Agreements
- Attachment B – Proposed Project Organization and Staffing
- Attachment C – Glossary of Terms and Abbreviations
- Attachment D – Relationship Management
- Attachment E – Deliverables
- Attachment F – Website Language Access Guide 508

EXHIBITS

- Exhibit 1 - General Provisions for Goods and Services
- Exhibit 2 - State Attorney General (AG) General Conditions
- Exhibit 3 - Supplemental General Conditions

OFFER FORMS (OF)

- OF-1 Offer Form
- OF-2 Offeror Entity Reference Questionnaire
- OF-3 Proposed Staff Resume
- OF-4 Requirements Traceability Matrix
- OF-5 Cost Proposal Form
- OF-6 Level of Customization
- OF-7 Service Level Agreement Requirements
- OF-8 Ongoing Services Requirements
- OF-9 Implementation Services Requirements
- OF-10 List of Exception of Terms
- OF-11 Confidential Information
- OF-12 Proposed Project Organization and Staffing

Section 1: General Information

RFP Title:	Unemployment Insurance Modernization Project
RFP Project Description: (See Section 1.2 Purpose)	The State of Hawaii, Department of Labor and Industrial Relations (DLIR) is seeking proposals from qualified contractors to provide Unemployment Insurance (UI) system modernization software and implementation services as described in this RFP, Implementation Services Requirements, Ongoing Services Requirements, and other attachments.
RFP Point of Contact: (See Section 1.8 Point of Contact)	Contract Administrator – Lizabeth Thomas Agency Name – Department of Labor and Industrial Relations Agency Address – 830 Punchbowl, Room 325 Honolulu, HI 96813 Email – Lizabeth.thomas@hawaii.gov Email is preferred Phone – (808) 586-9051
Submit proposals electronically via Hawaii Electronic Procurement System (HIEPRO): (See Section 4.6 Electronic Submission of Proposals)	Electronic Submission https://hiepro.ehawaii.gov/
Pre-Proposal Conference: Pre-Proposal Conference Location: (See Section 4.4 Pre-Proposal Conference)	March 17, 2023; 10:00 A.M. Hawaii Standard Time (HST) Pre-Proposal conference will be conducted via the Teams application.
Deadline for Submission of Written Questions: (See Sections 1.1 Schedule and Significant Dates and 4.6 Electronic Submission of Questions)	March 31, 2023; 4:00 P.M. Hawaii Standard Time (HST) via HIEPRO
State’s Response to Written Questions (Sections 1.1 Schedule and Significant Dates and 4.6 Electronic Submission of Questions)	April 14, 2023. All answers will be posted to HIEPRO.
Deadline for Submission of Proposals electronically via Hawaii Electronic Procurement System (HIEPRO): (See Section 4.2 Electronic Procurement)	April 28, 2023; 4:00 P.M. Hawaii Standard Time (HST) Electronic Submission via hiepro.ehawaii.gov File size limit = 100MB. Submit multiple files, if desired.

Initial Term of Contract and Renewals: (See Section 1.7 Period of Performance)	Implementation max three (3) years plus five (5) years M&O. DLIR may, in its sole discretion, unilaterally extend the M&O portion of contract. Contractor shall not increase its pricing in excess of the percentage increase described in the contract.
NOTE: THERE IS NO FEE TO REGISTER IN HIEPRO OR TO SUBMIT AN OFFER. THE AWARDED CONTRACTOR SHALL BE SUBJECT TO A ONE-TIME HIEPRO FEE OF .75% OF THE AWARD AMOUNT OF \$5,000.00, WHICHEVER IS LESS, PAYABLE TO HAWAII INFORMATION CONSORTIUM, LLC (Hie).	

1.1 Schedule and Significant Dates

The table below contains the State’s current estimate of the schedule and significant dates. All times are Hawaii Standard Time (HST). If a component of this schedule, such as "Proposals Due Date and Time" is delayed, the rest of the schedule may likely be shifted by the same number of days. Any change to the RFP Schedule and Significant Dates prior to the proposal due date shall be issued by addendum.

Event	Date
Solicitation Release	March 10, 2023
Pre-Proposal Conference	March 17, 2023; 10:00 A.M. HST via Teams
Written Question Submittal Deadline	March 31, 2023; 4:00 P.M. HST
State’s Response to Written Questions	April 14, 2023
Proposal Due Date and Time	April 28; 4:00 P.M. HST
Evaluation Period	May 1, 2023 – June 9, 2023
Notification to Offerors Moving Forward to Round 2 of the Evaluation Process	June 9, 2023
Offeror Demonstrations	June 19, 2023 – July 15, 2023 On-Site at the DLIR Offices only.
Estimated Due Date for BAFO, if necessary	August 25, 2023; 4:00 P.M. HST
Anticipated Award Date:	September 22, 2023
Anticipated Contract Start Date	November 1, 2023

1.2 Purpose

The State of Hawaii, Department of Labor and Industrial Relations (DLIR), Unemployment Insurance Division (UID) is seeking proposals from qualified offerors to provide Unemployment Insurance system modernization software and implementation,

and ongoing services as described in this RFP.

DLIR intends to award one (1) contract in conjunction with this Request for Proposals (RFP), as determined in the best interests of the State. The resulting hosting and maintenance support contract is expected to be for an initial five-year contract term, with an option to extend for an additional five-year term, subject to approval. Based on funding and other considerations, it is paramount that, the complete System solution be deployed and operational within three (3) years of the contract date.

Major application-level scope categories include Benefits, Appeals, Tax, Reporting, System, Security, Limited English Proficiency (LEP), Labor Market Information (LMI), Financial-Research and Analysis.

1.3 Background

The DLIR's Vision & Mission:

Provide economic security by:

“Doing what is right for all of our customers”

To Protect ... the rights of claimants and employers; and

To Preserve ... the integrity of the UI Program; and

To Provide ... quality service to our customers

The DLIR is comprised of business units working together to connect people to jobs, resources, monetary benefits, workplace protections, and labor market information to promote financial independence, workplace justice, and a strong economy.

The Unemployment Insurance Program is a major cornerstone of a states' economic system and exists to provide an economic safety net in the form of temporary income replacement to workers who have lost their job through no fault of their own.

1.4 Project Vision

The need to modernize the UID systems was brought to the forefront during the recent national health emergency. The Department leadership intends to leverage the atmosphere of change and improvement inspired by the pandemic response and the associated time limited resource expansion to address modernization across the Division. This will be done using an enterprise approach led by UID.

Complimentary to the requirements gathering, an exercise to identify the DLIR's vision-wide measurable benefits from the UID systems modernization and business transformation including but not limited to:

- Maximize the automation of processes with the option to override.
- Advanced processing and integration of all UI processes, workflows and output.
- Provide robust analytics/data collection for ease of use.

- Provide streamlined data sharing processes catering to all data sharing agreements.
- Ability to go paperless.
 - Reinvent and transform the front-facing customer experience, emphasizing plain language, and user experience principles.
- Fully integrated processes with 2nd and 3rd party systems
 - UI sections, UI units, ESARO
 - DLIR Divisions
 - Other state Agencies
 - Federal Agencies
- Promote the ease of substitution of any 2nd and 3rd party systems.
- Easy integration with new programs, systems, etc.
 - Improvements in processes, staff productivity, and efficiency that yield increases in the handling of all claims.
- Improvements for computer system efficiency and scalability.
- Decreases in system training time including easily updated training aids.
- Decreasing fraudulent and unworkable claims.
- Equitable access for all.
- Enhanced ability to produce and analyze business information.
- Improved Customer service and satisfaction.
- Improved Worker satisfaction and accountability.
- Streamlined administration of system maintenance and operations.

1.5 Multi-Party Relationship

All Offerors must understand and acknowledge DLIR will engage an Independent Verification and Validation (IV&V) Contractor to assist with oversight of the UI Modernization System.

The IV&V Contractor will help DLIR determine whether the plans, methods, and products delivered fulfill the defined requirements. The IV&V Contractor will also examine project artifacts to determine whether all requirements have been met. The IV&V Contractor will help DLIR determine whether the plans, methods, and products delivered fulfill the defined requirements. The IV&V Contractor will also examine project artifacts to determine whether all requirements have been met.

1.6 Contract Type

The contract type shall be Firm Fixed-Price pursuant to HAR 3-122-136.

1.7 Period of Performance

The period of performance of any contract resulting from this RFP is tentatively scheduled to begin on November 1, 2023, See Schedule and Significant Dates Section 1.1, with an estimated launch of the modernized system into production within three years of the contract start date.

The system hosting and maintenance will commence once the system is in production for a period of five (5) years. The State reserves the right to annually extend the web hosting and maintenance support services for a period up to five consecutive twelve-month periods subject to the availability of funds, the Contractor's satisfactory performance, and a mutually agreeable price.

1.8 Point of Contact

The Department of Labor and Industrial Relations is the issuing office for this document and all subsequent addenda relating to it. The reference number for the transaction is Solicitation # RFP-23-01-UI. This number must be referred to on all proposals, correspondence, and documentation relating to the RFP.

The person identified below is the single point of contact (POC) during this procurement process. Offerors and interested persons shall direct to the POC all questions concerning the procurement process, technical requirements of this RFP, contractual requirements, changes, clarifications, and protests, the award process, and any other questions that may arise related to this solicitation and the resulting contract. The POC designated by the State of Hawaii, Department of Labor and Industrial Relations is:

Lizabeth Thomas
RFP Contact Person, Contract Administrator, and Project Manager
State of Hawaii Department of Labor and Industrial Relations
830 Punchbowl, Honolulu, HI 96813
lizabeth.thomas@hawaii.gov
Phone: (808) 586-9051

1.9 Definitions

Refer to Attachment C - Glossary of Terms and Abbreviations.

1.10 Software Development Business Preference

A price preference shall be given to qualifying Hawaii software development businesses. For purposes of determining price only, offers received from all other Offerors shall be increased by ten per cent. Offerors seeking a preference must be certified in accordance with HAR section 3-124-33.

The contract amount of any contract awarded shall be the original offer price.

1.11 Current System

Integrated Database and other Automated Systems – UID currently operates systems that manage client and employer data to facilitate payment of claims, assure employer compliance with State and Federal labor laws and communications with external organizations and perform other federally mandated activities. These functions will be

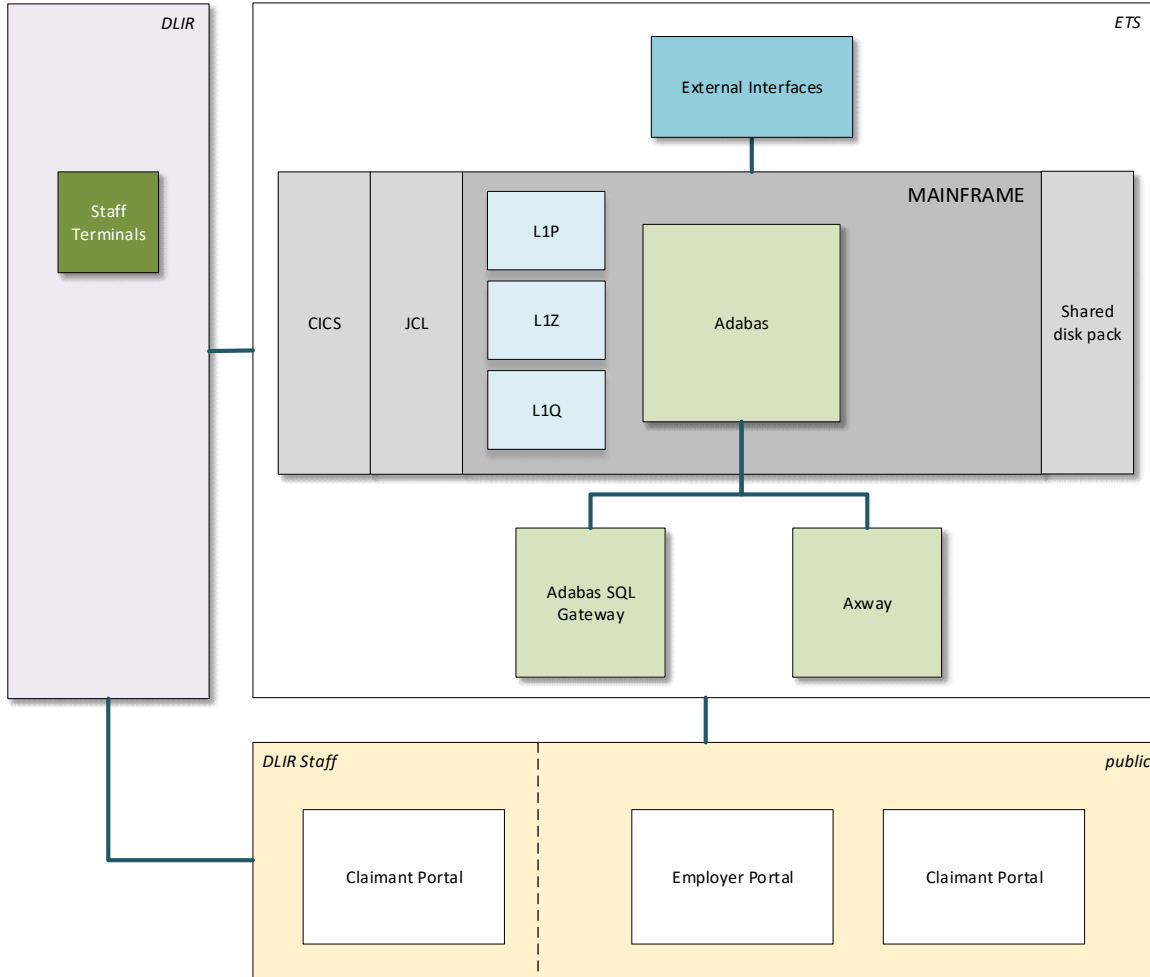
incorporated into the new solution and requires careful coordination and integration during the transition.

When the new solution has been fully implemented, the legacy system(s) will be retired. The Implementation Contractor is responsible for maintaining the new system. ETS and third-party Contractors currently provide the network infrastructure, security, and processing services for UID. Implementation of the new solution will change processing and network infrastructure requirements. The magnitude of these changes must be analyzed and fully understood as the project moves forward.

The DLIR UI uses multiple systems to support workflows and processes of managing unemployment claims intake, benefits, claim processing, employer registration and processing, contributions collection and management, claimant and employer financial management, and accounting management. To accomplish its mission of administering the UI program for the state of Hawaii DLIR UI relies on several technical components that support its processes and workflows. Following are technical components of the current UI system:

- Adabas database system hosted on the Mainframe that serves as the core of the ecosystem. UI Staff uses CICS transactions screens for data viewing and data entry.
- Software libraries (L1P – Benefits, L1Z – Tax, L1Q – Quarterly Wages) mostly written in Adabas Natural language with some code written in COBOL.
- A set of batch jobs managed with JCL that run nightly, weekly, monthly, yearly, or on demand to validate, transform data and produce required reports that are stored on FTP servers or as printed documents. Printed report data can be entered into custom Excel workbooks, processed, and submitted online into DOL system.
- Data between Mainframe and other systems sent/received through SFTP server (Axway).
- Shared disk pack is a Mainframe storage where access is shared by multiple state agencies.
- External systems can access Mainframe data:
 - using Adabas SQL Gateway – SQL server replica of the Adabas database.
 - using User Views exported from Mainframe and imported to the appropriate CONNX Data Dictionary where it converted into a relation DB format.
- Several web-based applications provide user interfaces for claimants, employers, and staff. These systems use MS SQL Server databases as data stores. They collect data from claimants and employers, transform this data and prepare for ingest into Mainframe using batch jobs or updating of Mainframe terminal screens directly.

Figure 1 – Current System



Current System Inefficiencies

- **Outdated User Experience:** The mainframe User Experience involves memorizing codes, keystroke sequences and patterns. This can be difficult to train and can have errors inherent in the process. A more modern user experience emulates the web sites that staff use on a day-to-day basis, including validation, error checking and pattern matching such as dropdowns and type-ahead fields.
- **Outdated Customer Experience:** Limited self-service capability for claimants. There is currently no functionality to allow for claimants to view Issues and submit information to DLIR staff via online forms.
- **Increasing difficulties of operating a mainframe system:** In the future, costs associated with the mainframe will be increasing for DLIR due to:
 - Increased cost from mainframe application hosting. This cost will be a variable cost that will be based upon the volume of processing, which will make it almost impossible to predetermine an expected spend budget

- Aging of the mainframe application support workforce. Many of the mainframe programmers and support personnel are leaving the job market for retirement, replacing them will be very difficult. Mainframe programming/support is considered legacy work; these skills are not currently taught in schools and have not been for many years. There is not a large pool of skilled technicians to operate on the mainframe anymore. This fact creates an unacceptable risk for the Department. This also circles back to cost of ownership, being legacy programmers will cost more than basic programmers.
- Difficulty handling complex Federal programs (e.g., extensions): Extensions have been a critical pain-point for DLIR. The logic to accommodate Federal rules regarding UI extensions is very complex and not easily implemented in the mainframe system. This has caused a great deal of stress throughout the Department during the last recession and the pandemic. To fulfill DLIR's mission and serve the citizens and employers of the state efficiently, the Department must ensure that the Department is able to process any new extensions in a timely manner.
- Staff inefficiency: Lack of automation means that more staff hours are required to accomplish tasks that would not be required if the software automated the processes.
- Lack of accuracy in Federal Reporting: Federal Reporting, including data validation, is more accurate in a modern system with multiple data integrity checks, as well as the ability to snapshot databases at a point in time. These key features provide better, more accurate and reproducible reporting to federal agencies. Delivering reporting that is more comprehensive and accurate creates more confidence in the software and personnel.
- USDOL Performance Measures: The current system's material weaknesses in the areas of scalability, flexibility, extendibility, reporting, workflows, and analytics impact quarterly performance measures in the areas of Benefits, Tax, Appeals, Integrity, BAM, and GPRA.

1.12 Offeror Checklist

Offeror must address ALL sections and attachments and provide the information and documentation as required in the table below.

No.	Description	Reference in RFP	Completed
1	Offeror Checklist – submittal of checklist with all items checked “completed.”	Offeror Checklist	<input type="checkbox"/>
2	Offer Form OF-1 - Completed and signed. NOTE: Ensure the company name submitted in HiePRO matches the company name on OF-1.	Section 10.8 Proposal Preparation AND Offeror Form OF-1	<input type="checkbox"/>
3	Table of Contents	Section 6.5 Required Format and Content	<input type="checkbox"/>
4	Executive Summary	Section 8.0 Evaluation Criteria 1	<input type="checkbox"/>
5	Disclosure	Section 8.0 Evaluation Criteria 2	<input type="checkbox"/>
6	Financials	Section 8.0 Evaluation Criteria 3	<input type="checkbox"/>
7	Staffing Plan	Section 8.0 Evaluation Criteria 4 AND Offeror Form OF-12 – Proposed Project Organization and Staffing	<input type="checkbox"/>
8	Offeror References and Key Personnel	Section 8.0 Evaluation Criteria 5 AND Offeror Form OF-2 Offeror Entity Reference Questionnaire AND Offeror Form OF-3 Proposed Staff Resume Template	<input type="checkbox"/>
9	Implementation Plan	Section 8.0 Evaluation Criteria 6	<input type="checkbox"/>
10	Project Plan	Section 8.0 Evaluation Criteria 7	<input type="checkbox"/>

No.	Description	Reference in RFP	Completed
11	Preliminary Functional Requirements	Section 8.0 Evaluation Criteria 8 AND Offeror Form OF-4 Requirements Traceability Matrix	<input type="checkbox"/>
12	Preliminary Technical Requirements	Section 8.0 Evaluation Criteria 9 AND Offeror Form OF-4 Requirements Traceability Matrix AND Offeror Form OF-6 Level of Customization	<input type="checkbox"/>
13	Testing Plan	Section 8.0 Evaluation Criteria 10	<input type="checkbox"/>
14	Training Plan	Section 8.0 Evaluation Criteria 11	<input type="checkbox"/>
15	Implementation Costs	Section 8.0 Evaluation Criteria 12 AND Offeror Form OF-5 Cost Proposal Form	<input type="checkbox"/>
16	O&M Costs	Section 8.0 Evaluation Criteria 13 AND Offeror Form OF-5 Cost Proposal Form	<input type="checkbox"/>

No.	Description	Reference in RFP	Completed
17	Ongoing Services	Section 8.0 Evaluation Criteria 14 AND Offeror Form OF-7 Service Level Agreement Requirements AND Offeror Form OF-8 Ongoing Services Requirements AND Offeror Form OF-9 Implementation Service Requirements	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
18	Organizational Change Management Plan (OCM)	Section 8.0 Evaluation Criteria 15	<input type="checkbox"/>
19	Data Conversion Strategy	Section 8.0 Evaluation Criteria 21	<input type="checkbox"/>
20	Certification - As Applicable	Section 10.5 Preferences AND Section 10.6 Certification of Offeror Concerning Wages, Hours and Working Condition of Employees Supplying Services	<input type="checkbox"/>
21	A List of Exceptions to Terms	Offeror Form OF-10 List of Exceptions of Terms	<input type="checkbox"/>
22	Identification of Confidential Information, if applicable	Section 10.9 AND Offeror Form OF-11 Confidential Information	<input type="checkbox"/>

Section 2: Goals

The project's goals include, but are not limited to:

Improve System Security and Reduce Fraud

Enhance our ability to anticipate and respond to data security threats and manage access.

Objectives:

- Enhance capability and resiliency with real-time security monitoring.
- Integrate highly effective fraud models to detect and reduce payments to fraudulent claims.
- Enhance access control administration.
- Implement fulling comprehensive audit logging.

Supporting Performance Metrics:

- Reduce security related audit findings and incidents.
- Utilize principal of least privilege for access.
- Decrease time to process access requests.
- Reduce improper payments to fraudulent actors.

Deliver a Better Customer Experience

Transform the business and leverage technology to deliver industry leading performance.

Objectives:

- Enable ability to measure customer satisfaction with each customer engagement.
- Improve customer satisfaction.
- Extend access through mobile applications.
- Provide timely and accurate data for customers.
- Streamline service delivery with our partners.

Supporting Performance Metrics – Tax:

- Increase number of employers utilizing online reporting and payment methods.
- Decrease time for status and charging determinations and protests.
- Decrease time to respond to employer (stakeholder) requests.

Supporting Performance Metrics – Benefits:

- Decrease average time for claims, adjudication, and appeals processes while maintaining high quality.
- Ensure equitable access and outcomes for all program participants regardless of background, ethnicity, or educational background.
- Decrease improper payment rate.
- Improve overall program performance in accordance with Federal Performance Measures.

Supporting Performance Metrics – Appeals:

- Increase customer usage of online appeals process/self-service options.
- Decrease time for appeal files to be created and ready for scheduling.
- Decrease time for appeal decisions to be implemented (benefits paid or stopped as applicable, per the appeal decision)
- Improve and maintain overall appeals performance according to appeals-specific federal performance measures.

Improve Employee Experience and Transform Business Processes

Leverage best in class business processes and technology to implement improved and more efficient business processes, deliver new capabilities to our employees, and support a more efficient customer experience.

Objectives:

- Improve outcomes and performance for state, federal, and internal key performance outcomes.
- Eliminate manual processes and excessive screen navigation.
- Automating repeatable processes that do not require human judgement.
- Meet or exceed business requirements.
- Compliance with all current Federal initiatives.

Supporting Performance Metrics:

- Improve state, federal, and internal performance metrics.
- Reduce manual processes as well as internal and external system workarounds.
- Reduce paper-based transactions.
- Increase the number of automated processes.

Leverage Real-Time Insights

Objectives:

- Enable business resources to generate ad-hoc reporting.
- Increase visibility to emerging threats and or performance metrics deviating from performance targets.
- Automate reporting to reduce dependency on IT resources.

Supporting Performance Metrics:

- Identify and prevent fraud before payments are released.
- Increase the number of automated processes.
- Reduce time to respond to operational challenges and transform business processes.
- Enhance transparency to the Division’s work, providing claimants and employers real-time access to claim and transaction status.

Enable Capability to Adapt to Changing Economic Conditions – Deliver a system capable of supporting new programs and functionality needs.

Objectives:

- Deliver a flexible and sustainable system to include adding new federal and state programs.
- Leverage the cloud to enhance the ability to scale computing resources up and down rapidly and significantly.

Supporting Performance Metrics:

- Replace and decommission legacy systems.
- Automate data exchange with state and federal partners wherever possible.
- Fully document system interfaces and data exchanges.

Complimentary to UID requirements, an exercise to identify Department wide benefits from UID's modernization and business transformation will be developed and will include, but is not limited to the following:

- Improvements in processes, staff productivity, and efficiency that yield increases in the handling of all claims.
- Improvements in computer system efficiency and scalability.
- Decreases in system training time.
- Decreases in fraudulent and unworkable claims.
- Enhanced ability to produce and analyze business information.
- Improvements in customer service and satisfaction.
- Improvements in worker satisfaction and accountability.
- Streamlined administration of system maintenance and operations.

Section 3: Objectives

The project goals, as stated above, are consistent with the objectives of the organization in providing a robust, automated support system which is technically aligned with Hawaii's standards and certified by the federal government. Implementing this user-friendly system will enable support of daily operations with online real-time data updates, improve management and operational analysis capabilities, in addition to other data share partners.

Furthermore, the new solution makes it easier to respond to changing State and Federal requirements.

The implementation of the new solutions will impact several stakeholder agencies. These range in scope from changes in business processes to the establishment of new interfaces to support the UID operations. Working collaboratively to ensure that Subject Matter Experts are available to support requirements definition, joint application development sessions, testing, and conversion efforts will be imperative to the success of the project.

Furthermore, Stakeholder participation in validating deliverables, as appropriate, throughout the lifecycle to ensure the system meets DLIR requirements is required. The UID Project Team will work diligently with the Implementation Vendor to ensure resource time is allocated to the project in the most efficient and effective manner.

The primary stakeholder groups are listed below:

- DLIR Staff
- Claimants and Their Legal Representative (if applicable)
- Employers and Their Agents (if applicable)
- Other State Agencies
- Federal Agencies

3.1 Service Availability

The State requires an UI system using software that will be deployed with as little customization as possible. Techniques to avoid customization should include, among other things:

- A highly configurable Unemployment Insurance system using standard configuration parameters.
- Reengineering the State's business processes to effectively use the process models inherent in the Unemployment Insurance system.
- Using third-party software (that is not part of the UI software suite) only when necessary and cost justified.

3.2 Service Level Agreement

In addition to typical service level agreement requirements used in RFPs such as this one, including system availability, response time, recovery time, incident response time, and

incident resolution time, service level requirement goals for this RFP also require resources, such as personnel, be deployed in the State of Hawaii to ensure that consistent levels of service are delivered to the State's jurisdictions, departments, and business operations. See Attachment A - Service Level Agreements.

3.3 Network Performance

Access to the UI System from end-users or endpoint systems requires particular consideration be given to latency and bandwidth objectives as follows:

- **Latency:** The UI System may be sensitive to network latency for its proper function. Minimizing latency factors resulting from the distance between end-users and endpoint systems and the primary data center may demand data center proximity to or location(s) in the State. The State's goal is to select a hosting solution that can guarantee a specific network response time to meet the RFP Requirements.
- **Bandwidth and Usage:** The UI System will transfer large amounts of data, which can increase network utilization costs. The State's goal is to have Offerors size the network connectivity to maximize utilization without incurring any unexpected network connectivity expenses for the State.
- **Resiliency and Recovery Objective:** The mission-critical nature of the UI system requires application availability and resiliency. The recovery time objectives require meeting the objectives for the following:
- **Data Protection:** The UI system requires high levels of data protection, ranging from tape backup to synchronously replicated data on mirrored storage sub-systems with regular data snapshots and archiving. The State's goal is to achieve the required level of protection using cost-effective means in order to meet resiliency and recovery needs.
- **Data Center Reliability:** UI System resiliency may require supporting infrastructure resiliency. Data center infrastructure redundancy and design must improve IT system availability and therefore application and data availability. The goal is to ensure that an Offeror's hosting facilities meet the right level of resiliency for the UI system while minimizing expense to the State.
- **Protection from Extreme Weather and Natural Disasters:** The Business Continuity Plan requires recovery facilities to be geographically distant from the facilities where the production applications operate. The goal is to have the UI system meet required application recovery time and point objectives specified in the RFP Requirements at a low expense to the State.
- For example, these goals can be met by implementing anything from reserved space with a disaster recovery provider to the application running in lockstep

(auto failover for all components) for continuous availability at a geographically distant data center.

3.4 Flexibility

The proposed Unemployment Insurance system requires extensive flexibility of operation. Flexibility of the underlying hosting infrastructure are required to meet the State's peak processing demands and data growth, including the following:

- **Data Center Infrastructure Capacity:** The goal is to determine capacity, ability to add capacity, and alternatives to gain capacity (through outsourcing, data center moves, or added facilities in alternate locations) to meet current and projected future capacity and auto-failover needs.
- **Provisioning:** The goal is to identify and implement technologies, such as internal, private, or public cloud with self-service portals, to meet service-provisioning demands for the State's departments and business operations.
- **Dynamic:** The goal is to identify and implement the ability to rapidly add and remove capacity as dictated by business needs while minimizing idle capital assets.
- **Data Storage:** The State's demand for storage will continue to grow and may require special storage treatment, such as deduplication, thin provisioning, and data tiering.

3.5 Security

Data security, application and system security (including protection from malicious code, intrusions, hackers, and unauthorized access), and physical security are important State objectives. Because the Unemployment Insurance system will contain data that is highly sensitive, special governance procedures and appropriately robust data protection procedures are required. These include but are not limited to the following:

- **Encryption and Firewalls:** The goal is to apply appropriate security zoning, technologies, and monitoring measures at low expense to the State.
- **Identity:** Identity provisioning and management are required to enforce role-based access control for administrators and users of IT applications and infrastructure, as well as provide users single sign-on functionality from the State's identity management system.

This includes allocating identity provisioning and management systems between enterprise systems and outsourced systems where required.

3.6 Regulatory Compliance

It is critical that the Offeror comply with Federal and State policies, regulations, and Laws, some of which create constraints that may impact Hosting Options and that must

be considered in meeting the RFP Requirements, including:

- **Data Retention:** Compliance with applicable regulatory requirements, such as Hawaii Revised Statutes, Hawaii Administrative Rules, and State regulations and policies, as well as State retention policies that will impact sourcing choices made to ensure retention and life cycle policies can be met.
- **Data Security and Protection:** Data security is mandated for data that falls under requirements of Law and for data that contains intellectual property and personally identifiable information. Implemented security measures are aligned with recognized frameworks such as National Institute of Standards and Technology (NIST) Cybersecurity Framework, and the Center for Internet Security (CIS) Controls.
- **Diligence in Ensuring Value to the State:** The State reserves the right to secure a third-party Independent Verification and Validation (IV&V) consultant to assist the State in making sure that activities associated with the Unemployment Insurance system brings value and adheres to all contract requirements.

3.7 Hosting Options

Proposals are limited to the two options for hosting the Unemployment Insurance System described below in order of preference:

- **Option 1: Software as a Service (SaaS)**
 - The Offeror hosts the UI System, provides M&O Services, owns the hardware, and provides State access to subscription-based UI software or cloud UI system solution, and use of the resulting services (including data).
- **Option 2: Hybrid - Offeror-Hosted, Offeror-Managed, State-Owned Hardware**
 - The Offeror hosts the UI System, provides M&O Services, the State owns the hardware, and the State is provided access to the UI system software or cloud UI system solution, and use of the resulting services (including data).
- **Option 3: Offeror-Hosted**
 - The Offeror will host the Unemployment Insurance System in primary and secondary data centers. The Offeror will own the hardware, and the State will own the UI software licenses.

Proposals offering Option 1: Software as a Service (SaaS) will be preferred over Proposals offering Option 2: Hybrid - Offeror-Hosted, Offeror-Managed, State-Owned Hardware and Option 3: Offeror-Hosted.

Regardless of the hosting option proposed by the Offeror, if the primary data center is hosted in a facility located outside of the State of Hawaii, possible options for transferring the UI System and data to another data center located within the State of Hawaii should be included as part of the response. The Offeror shall not host the UI System outside of the United States.

Disaster Recovery - The Offeror's Cloud Services must use, subject to EUTF's approval, multiple geographically distinct regions for disaster recovery and business continuity.

3.8 Knowledge Transfer

Each Offeror shall provide a methodology for an intensive knowledge transfer program tailored to the State's particular needs, considering that knowledge transfer shall be provided to the State's Project Team (including "boot camp" sessions for both functional and technical sub-teams) throughout all phases of the project.

The objective is to successfully provide the State's Operational and IT Teams an in-depth understanding of the various features and components of the system, along with all related third-party software and tools.

3.9 Enhanced End-User Training

Each Offeror in its Proposal shall provide an enhanced training methodology to develop an internal State team able to implement a training program for end users on an ongoing basis.

The enhanced training methodology is required to enable the State to transition to its full support of the training program over a period of time.

The enhanced training program should provide the State with the ability to support a range of training delivery formats (e.g., classroom training, webinar training, online training, online help, knowledge base documents, and frequently asked questions). The enhanced training program shall provide the ability for the State to train and provide support tools for end users at multiple locations on each of the Islands of Hawaii effectively and efficiently.

3.10 Business Process Reengineering

The State requires standardization along with process automation to align with best practices.

3.11 Data Cleansing and Conversion

Each Offeror shall develop and propose a strategy to cleanse and convert relevant legacy data into the Unemployment Insurance System.

Each Offeror shall either (i) identify the methodology and the approach for the implementation of tools and procedures to perform the State legacy data extraction, transformation and loading into the Unemployment Insurance System, or (ii) to make available requirements regarding the foregoing including those in OF-4 Requirements

Traceability Matrix.

3.12 Continuity of Contractor Personnel

The Offeror will maintain a consistent, skilled key member Project Team onsite at the DLIR offices at 830 Punchbowl St., Honolulu, HI 96813 that meets the service requirements of the project.

DLIR shall retain the right of approval for replacement of the Contractor provided personnel throughout the implementation project.

Section 4: Solicitation Information

4.1 Governing Laws and Regulations

This procurement is conducted by the DLIR, in accordance with the State Procurement Code. Information about the State and its governing laws are available at <http://spo.hawaii.gov/>.

This procurement shall be governed by the regulations and laws of the State of Hawaii. Venue for any administrative or judicial action relating to this procurement, evaluation, and award shall be in the State of Hawaii, City and County of Honolulu.

4.2 Electronic Procurement

4.2.1 The State has established the Hawaii State eProcurement (HIePRO) System to promote an open and transparent system for Offerors to compete for state contracts electronically. Offerors interested in responding to this solicitation must be registered on HIePRO. Registration information is available at the State Procurement Office (SPO) website: <https://hiepro.ehawaii.gov/welcome.html>, select HIePRO Vendor Registration and then Vendor Registration Guide.

4.2.2 The State will use HIePRO to issue the RFP, receive Offers, and issue Addenda to the RFP. Addenda and the other information and materials shall be provided by the State through HIePRO, including additions or changes with respect to the dates in Section 1.3 Schedule and Significant Dates. The State shall not be responsible for any person's or entity's failure to do so for any reason. The State is not responsible for any delay or failure of any Offeror to receive any materials updated through the RFP Process on a timely basis.

4.2.3 As part of this procurement process, Offerors are informed that awards made for this solicitation, if any, shall be done through the HIePRO and shall, therefore, be subject to a mandatory .75% (.0075) transaction fee, not to exceed \$5,000 for the total contract term.

4.2.4 HIePRO Special Instructions. Offeror shall review all special instructions located in HIePRO. Offerors are responsible for ensuring that all necessary files are attached to their offer prior to the proposal deadline. Offerors are advised that they should not wait until the last minute to submit their proposal on HIePRO. Offerors should allow ample time to review their submitted proposal, including attachments, prior to the proposal deadline.

4.3 RFP Addenda

Changes to this RFP including but not limited to contractual terms and procurement requirements shall only be changed via formal written addenda issued by DLIR.

The State accepts no responsibility for a prospective Offeror not receiving solicitation documents and/or revisions to the solicitation. It is the responsibility of the prospective

Offeror to monitor the Hawaii State eProcurement System (HIEPRO) to obtain RFP addenda or other information relating to the RFP.

4.4 Pre-Proposal Conference

A pre-proposal conference will be held on Friday, March 17, 2023, 10:00 A.M. HST electronically via the Microsoft Teams application. The link to attend is:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_MzZIOTBkYjQtODVmOC00NGMyLTlhOTQtNmJjYzE2NDhhMjQy%40thread.v2/0?context=%7b%22Tid%22%3a%223847dec6-63b2-43f9-a6d0-58a40aaa1a10%22%2c%22Oid%22%3a%22afb473c2-c9c1-49dc-a4ad-83eaeae0758e%22%7d

If an Offeror also needs a dial-in number for audio attendance only, they may use:

Phone number: 1-808-829-4853 United States, Honolulu (Toll)
Conference ID: 795 248 275#

Attendance at the Pre-Proposal conference is optional. A summary of the pre-Proposal conference will be provided by Addendum posted on HIEPRO.

4.5 Questions Regarding RFP Contents

If a Prospective Offeror believes that any provision of the RFP is unclear, potentially defective, or would prevent from providing a meaningful Offer, the Offeror shall submit questions to the State POC requesting clarification on or before the deadline for doing so in Section 1.1 Schedule and Significant Dates. Each question shall identify the page, section number, paragraph, and line or sentence of such provision(s) of the RFP to which the question applies. The State POC will respond by the date for the same in Section 1.1 Schedule and Significant Dates. The State may issue Addenda in response to written questions received regarding the RFP.

4.6 Electronic Submission of Questions

All questions must be submitted through the Hawaii State eProcurement System (HIEPRO). Questions must be submitted by the question deadline date and time shown in Section 1.1 Schedule and Significant Dates. Answers will be given via the Hawaii State eProcurement System (HIEPRO) site as noted in Section 1.1 Schedule and Significant Dates.

Offerors are cautioned about including context in questions that may reveal the source of questions. The identity of potential Offerors will not be published with the answers, but the text of questions will be restated, to the extent possible, to exclude information identifying potential Offerors.

4.7 Proposal Due Date

Proposals must be received by the posted closing date and time as described in Section 1.1 Schedule and Significant Dates of this RFP.

4.8 Cancellation of Procurement and Proposal Rejection

The State reserves the right to cancel this RFP and to reject any and all proposals in whole or in part and waive any defects when it is determined to be in the best interest of the State, pursuant to HAR §3-122-96 thru HAR §3-122-97.

4.9 Firm Offers

Responses to this RFP, including proposed costs and/or fees will be considered firm for 180 days after the proposal due date.

4.10 Right to Accept All or Portion of Proposal

Unless otherwise specified in the solicitation, the State may accept any item or combination of items as specified in the solicitation or of any proposal unless the Offeror expressly restricts an item or combination of items in its Proposal and conditions its response on receiving all items for which it provided a proposal. If the Offeror so restricts its Proposal, the State may consider the Offeror's restriction and evaluate whether the award on such basis will result in the best value to the State. The State may otherwise determine at its sole discretion that such restriction is non-responsive and renders the Offeror ineligible for further evaluation.

4.11 Ownership or Disposition of Proposals and other Materials Submitted

All costs incurred by the Offeror in preparing or submitting a proposal shall be the Offeror's sole responsibility whether any award results from this RFP. The State shall not reimburse such costs. All proposals become the property of the State of Hawaii.

4.12 Additional Information

The Offeror shall provide additional information regarding aspects of an Offeror's Proposal within seven (7) business days of the State's request unless the State specifies another period. As noted, each Offeror shall submit only one Proposal. If an Offeror submits more than one Proposal, then the State reserves the right to reject and or dismiss the Offeror from the RFP Process.

Section 5: Requirements

This section contains the minimum requirements that must be met to be considered for the evaluation phase. All items described in this section are non-negotiable. All Offerors must state willingness and demonstrate the ability to satisfy these requirements in the proposal submitted for consideration. Offerors shall be considered non-responsive if unable to cover the minimum requirements which they may not be considered for award.

5.1 Compliance with Laws

Offerors must at all times remain compliant with all laws governing entities doing business in the State. Proof of compliance shall be included in Offeror's Proposals.

5.2 Minimum Requirements and Qualifications

The State will enter into an agreement with a single Contractor who can demonstrate that they possess the organizational, functional, and technical capabilities to perform the complete range of services and meet or exceed the requirements and service levels specified herein.

The Offeror shall have successfully implemented at least one (1) Unemployment Insurance system. The implementation scope must have included one or more of the following: contributions/tax, benefits, and/or appeals, with business rule driven workflows.

The Unemployment Insurance system must have been successfully implemented within the last seven (7) years, is currently operational in production.

Offeror shall provide all services as described in OF-9 Implementation Services Requirements and OF-8 Ongoing Services Requirements. Additionally, the detailed functional and technical requirements can be found in OF-4 Requirements Traceability Matrix.

5.3 Contractor Responsibility for Subcontractors

The Subcontractors providing services shall meet the same service requirements and provide the same quality of service required of the Contractor and in a timely manner. No subcontract shall relieve the Contractor of its responsibilities for the Services it provides. The Contractor shall manage the quality and performance, project management and schedules, and timely start and completion of services performed by each of its Subcontractors. The Contractor shall be solely responsible and accountable for the completion of all Services it has subcontracted.

5.4 Removal of Subcontractors

In addition to any rights the State has under Law, the State shall have the discretion to remove the Subcontractor with or without cause at its sole discretion. In such a case, the

State shall specify the deadline for such removal after consultation with the applicable Contractor. A Subcontractor proposed by the Contractor to replace the removed Subcontractor shall be subject to the approval of the State.

5.5 Right to Retain Subcontractors

The State shall have the right to directly retain any Subcontractor after the expiration, termination, or suspension of the Contract under which it is retained, including any Subcontractor providing services subject to any part of a Contract that is terminated or suspended.

5.6 Additional Contractor Requirements

Each Contractor shall:

- Adhere to its Contract with the State.
- Provide all labor, materials, and equipment necessary to meet the RFP Requirements.
- Communicate contract requirements to its Subcontractors' personnel and direct and coordinate project activities to ensure that the services progress efficiently and are completed on schedule.
- Ensure that all its and its Subcontractors' employees can communicate effectively with State employees. Ensure that it is current with all payments and registration fees and similar financial obligations owed to the State during the term of its Contract with the State.
- Fully cooperate and maintain effective communication with the State and cooperate in the resolution of problems, suspected problems, or potential problems.

5.7 DLIR Project Staffing

DLIR intends to have functional and technical resources available during Project implementation, though it is noted that DLIR does not anticipate dedicating staff full-time to the implementation in addition to managing their core job responsibilities.

This applies to both functional resources as well as technical resources internal to DLIR. Staffing capacity is a consideration for DLIR in terms of both the implementation process as well as supporting the software once in an operations mode.

Offerors are encouraged to submit questions through the defined questions process in this RFP to solicit such additional information as is necessary to adequately estimate the resource commitments that would be expected of the DLIR during implementation, and post go-live for ongoing support of the system. Additional resource planning will be performed based upon the selected Offeror.

Offerors shall clearly indicate in the proposal responses the estimated level of DLIR resource involvement needed in the implementation process, in order to allow DLIR to perform adequate planning.

DLIR will utilize the response to Offerors' Resource Hour Estimates provided in OF-12 Proposed Project Organization and Staffing. The Offeror should complete the recommended DLIR project dedication percentages within column labeled "Offeror Recommended % of Time Dedicated to the Implementation Project" and Implementation Methodology, of Proposals as an input into the staffing plan that DLIR develops, and requests that Offerors clearly articulate estimate staffing considerations in their responses.

5.8 Payment

Pursuant to HRS §103-10, the State shall have thirty (30) calendar days after receipt of invoice or satisfactory completion of projects to make payment. For this reason, the State will reject any offer submitted with a condition requiring payment within a shorter period. Further, the State will reject any offer submitted with a condition requiring interest payments greater than that allowed by HRS §103-10, as amended. The State will not recognize any requirement established by the Contractor and communicated to the State after the award of the contract, which requires payment within a shorter period or interest payment not in conformance with the statute.

5.9 Payment to Hawaii Information Consortium, LLC dba NIC Hawaii

HlePRO is administered by Hawaii Information Consortium, LLC dba NIC Hawaii. NIC Hawaii shall invoice the Contractor(s) directly for payment of transaction fees. Payment must be made to NIC Hawaii within thirty (30) days from receipt of invoice. HIC is an intended third-party beneficiary of transaction fees, which are used to fund the operation, maintenance, and future enhancements of the HlePRO system.

5.10 Required Review - ETS Governance and Standards

Offerors shall review the following Enterprise Technology Services IT governance policies and standards prior to submittal.

Program governance and Independent Verification and Validation

https://www.capitol.hawaii.gov/hrscurrent/Vol01_Ch0001-0042F/HRS0027/HRS_0027-0043.htm

State-wide IT Policies

<https://ets.hawaii.gov/policies/>

IT Strategic Plan

<https://ets.hawaii.gov/wp-content/uploads/2019/05/ETS-Strategic-Plan-website-4.25.19.pdf>

5.11 Offeror Teams

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

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

Section 6: Instructions to Offerors – Proposal Submission

6.1 Proposal Objectives

One of the objectives of this RFP is to make proposal preparation easy and efficient while giving Offerors ample opportunity to highlight their proposals. The evaluation process must also be manageable and effective.

Proposals shall be prepared straightforwardly and concisely, in a format that is reasonably considered and appropriate for the purpose. Emphasis will be on completeness and clarity and content.

When an Offeror submits a proposal, it shall be considered a complete plan for accomplishing the tasks described in this RFP and any supplemental tasks the Offeror has identified as necessary to successfully complete the obligations outlined in this RFP.

The proposal shall describe in detail the Offeror’s ability and availability of services to meet the goals and objectives of this RFP.

6.2 Proposal Structure and Labeling

Proposals must be detailed and concise. Each Proposal must be labeled and organized in a manner that is congruent with the requirements and terminology used in this RFP and must include a point-by-point response, structured in form and reference to the RFP, addressing all requirements and the Statement of work elements.

6.3 Proposal Submission Instructions

Proposals must be received by April 28, 2023 by 4:00 p.m. HST through the Hawaii Electronic Procurement System (HiePRO). Proposals received after the deadline and/or through any sources other than HiePRO will be rejected.

6.4 Electronic Submission of Proposals

Proposals shall be submitted and received electronically through HiePRO by the date and time listed in Section 1.1 Schedule and Significant Dates. This electronically submitted offer shall be considered the original. Any offers received outside of the HiePRO, including faxed or e-mailed bids, shall not be accepted, or considered for award. Any offer received after the due date and time shall be rejected. (See Section 4.2 Electronic Procurement for further information.) **The maximum file size that HiePRO can accept is 100MB. Files larger than 100MB must be reduced into two or more files.**

Submission of a proposal shall constitute an incontrovertible representation by the Offeror that the Offeror agrees to comply with every requirement of this RFP, and that the RFP documents are sufficient in scope and detail to indicate and convey a reasonable understanding of all terms and conditions of performance of the work.

6.5 Required Format and Content

Offerors should refer to the Offeror Checklist in Section 1.12 and Evaluation Criteria and Scoring in Section 8.0 for content submittal requirements.

All Proposals must be submitted in the following format. Detailed information on submitting each of these sections is contained in later sections of this RFP.

- 6.5.1 Proposals shall be organized in the sections set forth in the attached Offeror Checklist. Offerors shall follow the exact format specified, including the use of all titles, subtitles, and numbering; with bookmarks separating each section. Each section must be labeled, and pages numbered sequentially for the entire Proposal.
- 6.5.2 Proposals shall be provided in both Adobe Acrobat format (compatible with Adobe Reader version 10 or greater) and native Microsoft Word, Excel and Project file formats, as applicable.
- 6.5.3 Proposals shall include an electronically linked table of contents and bookmarks for sections and subsections using Microsoft Office functionality.
- 6.5.4 Files from an Offeror over 100MB in size shall be split into a series of volumes (not larger in size than 100MB) to ensure trouble-free uploading and downloading. Include the RFP number, Offeror name, and volume number in the file name. Offeror shall also bookmark and provide the table of contents in each volume.
- 6.5.5 Proposals shall be in 12-point Arial font.
- 6.5.6 The Proposal must include the Offeror Transmittal Letter (attached) with the exact legal name of the Offeror as registered with the Department of Commerce and Consumer Affairs, the Offeror's business address, and the name, remittance address, as well as email address, telephone and fax number(s) of the Offeror's contact person. The Proposal shall be duly executed and shall include the Offeror's authorized official's signature. Ink signatures are not required for electronic submission of a Proposal but shall be required before a Notice of Award may be issued to the Offeror. The submission of a Proposal shall constitute the Offeror's agreement to be bound by electronic signature.
- 6.5.7 Offerors are advised that they should not wait until the last minute to submit their Proposal on HIEPRO. Offerors should allow for ample time to review its Proposal, including attachments, prior to the Proposal deadline.
- 6.5.8 Confidential, Protected, or Proprietary Information. All confidential, protected, or proprietary information must be included in this section of the proposal response. Do not incorporate protected information throughout the Proposal. Rather, provide a reference in the proposal response directing the State to the specific area

of this protected Information section. If Offeror believes that any portion of its proposal, offer, specification, protest, or correspondence contains information that should be withheld as confidential, then the Procurement Officer should be so advised in writing and shall be furnished with justification for confidential status. Price is not considered confidential and shall not be withheld.

6.5.9 Information included in the Confidential, Protected or Proprietary Information section of an Offeror's proposal is not automatically accepted as protected. All information identified in the section will be subject to review by the State in accordance with the procedures prescribed by the State's open records statute, freedom of information act, or similar law.

6.5 Each Offeror to Bear its Own Costs

Each Offeror shall be responsible for all costs incurred by it prior to the Notice of Award, including, without limitation, its costs of preparing and submitting its Offer, responding to notices or requests, making Priority-Listed Offeror presentations, demonstrations, and discussions, and otherwise participating in the RFP Process.

Section 7: Evaluation and Award

7.1 Evaluation of Proposals

The Procurement Officer and the Evaluation Committee shall evaluate Proposals and BAFOs, as applicable. The evaluation will be based solely on the criteria described in this RFP.

7.2 Right to Waive Minor Irregularities

The State in its sole discretion reserves the right to waive, correct, or clarify minor irregularities in the Proposal, which in the judgment of the State does not equate to a material modification of the Proposal. The State also reserves the right in its sole discretion to waive certain minimum requirements provided that all of the otherwise responsive Proposals fail to meet the same minimum requirements and the failure to do so does not materially affect the procurement.

7.3 Initial Review and Award without Discussions

In the initial phase of the evaluation process, the State will review all proposals timely received. Proposals not conforming to the RFP requirements will be rejected. The State reserves the right to award on receipt of initial proposals without providing an opportunity for discussion, or Proposal revision, so Offerors are encouraged to submit their most favorable proposal at the time established for receipt of Proposals.

7.4 Discussion with Priority Listed Offerors

The State, in its discretion, may hold discussions with the Offerors whose Proposals are determined to be acceptable or potentially acceptable (the “Priority Listed Offerors”).

The State reserves the right to limit the priority list to the three (3) highest ranked Priority Listed Offerors.

The State may invite Priority Listed Offerors to discuss their Proposals to ensure a thorough, mutual, understanding. The State in its sole discretion shall schedule the time and location for these discussions, generally within the timeframe indicated in Section 1.3 Schedule and Significant Dates. The State may also conduct discussions with Priority Listed Offerors to clarify issues regarding the Proposals before requesting Best and Final Offers, if necessary.

In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing Offerors.

7.5 Best and Final Offers

The State, in its sole discretion, may request each Priority Listed Offeror to submit its Best and Final Offer (BAFO). The request shall be issued in an Addendum which will provide guidance and additional instructions. BAFOs shall be submitted to the State POC via HIEPRO on or before the deadline provided in Section 1.1 Schedule and Significant Dates. If a Priority Listed Offeror fails to submit a BAFO, its last submitted offer shall be deemed to be its BAFO.

7.6 Award of Contract

A Notice of Award of the Contract shall be made to the responsible Offeror whose Proposal is determined the most advantageous to the State, taking into consideration all the evaluation factors set forth in this RFP.

The Notice of Award shall be made available on the Hawaii State eProcurement (HIEPRO) System at <https://hiepro.ehawaii.gov/welcome.html>. Failure by the chosen Offeror to accept the award within five days of the Notice of Award will be deemed a rejection of the award.

The Contract shall include or be deemed to incorporate this RFP, the Offeror's Proposal or BAFO, all Offer Forms (OF), Exhibit 1 - General Provisions for Goods and Services, Exhibit 2 - State Attorney General (AG) General Conditions, Exhibit 3 - Supplemental General Conditions, a Non-Disclosure Agreement, Confidentiality Agreements, and other terms as may be agreed to by the State and the Offeror.

7.7 Debriefing

Pursuant to HAR §3-122-60, a non-selected Offeror may request a debriefing for information regarding the basis for the source selection decision and contract award. A written request for debriefing shall be made within three (3) working days after the posting of the award of the contract. To the extent practicable, the Procurement Officer or designee shall hold the debriefing within seven (7) working days of receipt of the written request for a debriefing.

Section 8: Evaluation Criteria and Scoring

8.1 Evaluation Criteria and Scoring

8.1.1 Initial Screening

The Evaluation Committee will perform an initial screening of each proposal received to determine whether the proposal meets the minimum Offeror submittal requirements of the RFP.

Proposals will receive either a passing or failing evaluation during the initial screening. In the event the Offeror fails the initial screening, the State reserves the right to remove the Offeror from the bidding process. There are twenty-one evaluation criteria (see Section 8.1.5 and 8.1.6 – Round 1 Evaluation Categories and Round 2 Evaluation Categories).

8.1.2 Rating Scale

Each category is rated on a 0 to 5 scale for all Evaluation Criteria as follows with the exception of Evaluation Criteria 5 Vendor References & Key Personnel.

Score	Description
0	The Proposal fails to address the criterion, or the Proposal cannot be assessed due to missing or incomplete information. Offeror has not demonstrated sufficient knowledge of the subject matter or has grossly failed to explain how the requirement(s) will be met.
1	Poor. The criterion is inadequately addressed, Offeror demonstrates only a slight ability to comply, or there are serious inherent weaknesses.
2	Fair. The Proposal addresses the criterion, but there are significant deficiencies, or Offeror has not adequately explained how its services fit the requirement.
3	Good. The Proposal addresses the criterion; meets the requirements at a minimal level. Demonstrates knowledge and understanding of the subject matter, with no deficiencies noted.
4	Very Good. The Proposal addresses the criterion well, highly comprehensive.
5	Excellent. The Proposal addresses the criterion well and goes beyond the requirements of the RFP, providing added value. In addition, the response may cover areas not originally addressed within the RFP and include additional information and recommendations that would prove both valuable and beneficial to the State.

8.1.2.1 Rating Scale - Evaluation Criteria 5 – Vendor References and Key Personnel

The rating scale utilized for Evaluation Criteria 5 – Vendor References and Key Personnel. The Background and Experience Relevancy Rating is as follows:

Rating	Definition
Very Relevant	Present/past performance effort involved the same scope and magnitude of effort and complexities this solicitation requires.
Relevant	Present/past performance effort involved similar scope and magnitude of effort and complexities this solicitation requires.
Somewhat Relevant	Present/past performance effort involved some of the scope and magnitude of effort and complexities this solicitation requires.
Not Relevant	Present/past performance effort involved little or none of the scope and magnitude of effort and complexities this solicitation requires.

The rating scale utilized for the Background and Experience Recency Rating is as follows:

Rating	Definition
Very Recent	Completion of a service project within the last three (3) years.
Recent	Completion of a service project within the last five (5) years.
Not Recent	Completion of a service project within the last ten (10) years.

Once the State considers the above relevancy and recency, a preliminary rating for this category will be determined based on the following table. The preliminary rating will be averaged as follows:

Rating	Definition
5 – High Confidence	Based on the Offeror’s performance record, the State believes the Offeror will successfully perform the required effort.
4 – Significant Confidence	Based on the Offeror’s performance, the State believes the Offeror will likely successfully perform the required effort.
3 – Satisfactory Confidence	Based on the Offeror’s performance record, the State believes the Offeror could likely successfully perform the required effort.
2 – Unknown Confidence	Based on the Offeror’s performance record, the State believes the Offeror will likely not successfully perform the required effort.

Rating	Definition
1 – Little Confidence	Based on the Offeror’s performance record, the State believes the Offeror will not successfully perform the required effort.
0 – No Confidence	The Offeror has no performance record.

8.1.3 Rating Scale Points Awarded

The rating for each category shall be averaged to determine the rating for that respective criteria. Once the rating for each respective criterion is determined, the respective rating (the rate achieved) is converted to points by dividing the rate achieved by the total rate achievable, then multiplying by the maximum points possible for that criteria, as follows:

Rate Achieved	X	Maximum Points Possible for That Criteria	= Points
Total Rating Achievable			

Examples:

<i>5 – Excellent</i>	X	25	= 25
5-point scale			

<i>1 – Poor</i>	X	25	= 5
5-point scale			

8.1.4 Evaluation Round Progression

- Total possible points for Round 1 are 1400 (see Round 1 Evaluation Categories below).
- Offerors who receive a score of less than 900 will be eliminated from the evaluation and bidding process.
- Offerors who receive a score of 900 or greater will continue to Round 2 of the evaluation and scoring process and will be notified on Hawaii State eProcurement (HIEPRO) per the schedule outlined in Section 1.1 Schedule and Significant Dates.

The following table outlines the evaluation categories, maximum possible points per category, and submittal requirements.

8.1.5 Round 1 Evaluation Criteria

Round 1	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
Evaluation Criteria 1 Executive Summary	25	<p>The Offeror shall submit the following:</p> <ul style="list-style-type: none"> Executive Summary 	<p>The Offeror shall condense and highlight the contents of the proposed solution in such a way as to provide DLIR with a broad understanding of the proposal.</p> <p>The Executive Summary will be evaluated and scored based on the following:</p> <p>Confirmation that the requested scope of services outlined in Scope of Work, Implementation Services Requirements, and Ongoing Services Requirements, Service Level Agreements, and Deliverables are clearly understood along with the associated timelines.</p>	3 Pages
Evaluation Criteria 2 Disclosure	50	<p>The Offeror shall submit the following:</p> <ul style="list-style-type: none"> A complete disclosure of any alleged significant prior or ongoing contract failures, contract breaches, any civil or criminal litigation or investigations pending which involves the Proposer and the Proposer's Subcontractors in which either party has been judged guilty or liable. Disclose the details of any pertinent judgment, criminal conviction, investigation, 	<p>The evaluation of the provided disclosure of investigations, contract breaches, and litigation.</p>	3 Pages

Round 1	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
		<p>indictment, or litigation pending against the Contractor or any of its officers, directors, employees, agents, or subcontractors within the last five (5) years.</p>		
<p>Evaluation Criteria 3 Financial Statements</p>	<p>50</p>	<p>The Offeror shall submit the following:</p> <ul style="list-style-type: none"> • Provision of satisfactory evidence of organizational and financial stability. Company Year-End Financial Statements for the past 3 years of operation. • A full description of all current or past involvement in litigation or legal disputes. 	<p>The evaluation will measure the Offeror financial strength and stability based on provided documentation.</p> <p><i>Company Financial ratios:</i></p> <p>Solvency: (Net Income + Depreciation) + (Short-Term Liabilities + Long-Term Liabilities)</p> <p>Current: Current Assets + Current Liabilities</p> <p>Total Debt/Equity: Total Debt + Total Equity</p> <p>Total Debt/Total Assets: Total Debt + Total Assets</p>	<p>5 Pages</p>
<p>Evaluation Criteria 4 Staffing Plan</p>	<p>100</p>	<p>The Offeror shall submit the following:</p> <ul style="list-style-type: none"> • Implementation Staffing Plan. The Staffing Plan must include roles, areas of expertise, full/part time indicators, percent of time onsite, phase, and headcount for Offeror personnel proposed for the implementation. This staffing plan must consist of the personnel that are contained 	<p>Evaluation of the concise summarization of the Respondent’s relevant qualifications and experience in providing services matching the services requested in this RFP. See Attachment B - Proposed Project Organization and Staffing.</p> <p>Completeness of the staffing plan (core team)</p> <p>Completeness of the potential supplemental to DLIR staff resources (supplemental resources)</p> <p>Completeness of recommended resource allocation percentages</p>	<p>12 Pages</p>

Round 1	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
		<p>within OF-3 Proposed Staff Resume documents and pertinent to this Hawaii Unemployment Insurance Implementation project.</p> <ul style="list-style-type: none"> • Identify and include potential supplemental implementation staff roles, locations, rates, and counts for proposed supplemental implementation resources for the following positions: <ol style="list-style-type: none"> 1. SME All UI Areas 2. SME Reporting 3. SME Analytics 4. Integration Lead 5. Data Conversion Lead • OF-12 Proposed Project Organization and Staffing. 		
<p>Evaluation Criteria 5 Vendor References & Key Personnel</p>	<p>100</p>	<p>The Offeror shall submit the following:</p> <ul style="list-style-type: none"> • OF-2 Offeror Entity Reference Questionnaire • OF-3 Proposed Staff Resume Template for each proposed team member. <p>Refer to OF-12 Proposed Project Organization and Staffing</p>	<p>The Offeror submittal provides past performance, roles, and references which establishes that offeror has the background and experience to provide the services specified in this RFP. See Attachment B - Proposed Project Organization and Staffing.</p> <p>The state reserves the right to conduct reference checks beyond what was provided as references.</p> <p>The results of the reference checks will be reflected in the rating for this category. Full points will not be</p>	<p>Template Utilization</p>

Round 1	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
			<p>awarded without confirmation of services from at least three (3) listed customers references. Offerors are encouraged to notify customer references in advance.</p> <p>The State will evaluate the Offeror's demonstrated record based on customer references. The recency and relevancy of the information, the source of the information, the context and general trends in the Offeror's performance will be considered. More recent and more relevant performance usually has a greater impact on the confidence assessment than less recent and less relevant performance. The State will perform an independent determination of relevancy of the information provided or obtained. The State is not bound by the Offeror's opinion of relevancy. The following relevancy criteria apply and will be assigned to each effort identified in the Offeror's Proposal on background and experience.</p> <p>**Given the number of mergers and acquisitions in today's business environment, Offerors may not have existed under their current name for very long.</p> <p>If the key management personnel of an Offeror have relevant experience with an entity of a different name, the State may consider this information in the evaluation process.</p>	
Evaluation Criteria 6 Implementation Plan	100	<p>The Offeror shall submit the following:</p> <ul style="list-style-type: none"> • Implementation Plan • Rollout methodology 	<p>This category includes, but is not limited to:</p> <p>OF-9 Implementation Services Requirements</p> <p>Offerors Technology performance monitoring approach factors including the following categories:</p>	100 Pages

Round 1	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
		<ul style="list-style-type: none"> • Risk profile associated with the proposed rollout methodology. • Schedule w/Phase timeline w/milestones • Technology Performance Monitoring Approach • Data conversion approach – including testing and reconciliation methodology. • Capacity Management Approach • Technical Architecture to include high level diagram (in context of all requirements identified within OF-4 Requirements Traceability Matrix, OF-8 Ongoing Service Requirements, and OF-9 Implementation Service Requirements) • Proposed hosting providers and data centers in detail • Disaster Recovery Plan to include, but not limited to the following: <ul style="list-style-type: none"> A. Management and Monitoring B. Space and power C. Network D. Software maintenance 	<p><i>application diagnostics, component level monitoring, notifications and reports, analytics, user experience, CPU, memory, bandwidth consumption, application transaction tracing, disk, excessive parsing, lock contention, I/O capacity, high load SQL statements, and user experience monitoring.</i></p> <p>Offerors Capacity management approach – ability to scale resources up or down according to DLIR needs.</p> <p>Offerors technical approach and clarity within the architecture diagram.</p> <p>Offeror’s explanation of the advantages of the proposed solution for delivering the required business benefits.</p> <p>Offeror shall describe the approach to keeping hardware and software up to date. Offeror shall describe their approach to replacing older versions with newer ones. Progressive elaboration will occur and shall be included in the base cost and built into the proposed project schedule.</p> <p>Offerors proposed DR plan elements.</p> <p>Offeror’s usability approach for web and mobile interface this includes accesses methods by primary role (DLIR resource, Employer, Claimant, and other State Agencies).</p> <p>Offeror’s accessibility approach and Section 508 compliance for both mobile and web.</p> <p>Other Offeror provided artifacts</p>	

Round 1	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
		<p>E. Hardware upgrades over time</p> <p>F. Costs</p> <p>G. Communication, Escalation, and Procedures</p> <p>H. Application Component Mapping</p> <p>I. Service Level Agreements</p> <p>J. Locations</p> <p>K. Testing Strategy</p> <p>L. Diagrams</p> <ul style="list-style-type: none"> • Statement of understanding of the services requirements and the advantages of the proposed solution. • Usability approach for mobile and web by application-level access role. • Accessibility approach indicating Section 508 compliance for both mobile and web • Maintenance support model – including support channels, methods of access, and escalation paths, RACI for all parties involved • An explanation of any separate applications/services/modules (different offerors' services 		

Round 1	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
		<p>or the same offeror’s different services) – and their integration</p> <ul style="list-style-type: none"> • An explanation and benefits of the proposed service delivery model (custom solution, COTS, SaaS, PaaS) • Data quality and data lineage management plan from data intake to business intelligence • Data integration and interface architecture approach (see OF-4 Requirements Traceability Matrix [11 System Tab]) • Proposed security architecture - including IAM, encryption, and role-based data access • Understanding of the implementation project roles and responsibilities. This should be represented in a RACI chart. • Security patching process and schedule, application release dependencies, and functional upgrades. • Go-live management approach – including contingency planning 		
Evaluation Criteria 7 Project Plan	100	The Offeror shall describe:	Project Organization will be evaluated to include all provided artifacts.	50 Pages

Round 1	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
		<ul style="list-style-type: none"> • Project Management processes. • High level WBS structure that includes major milestones. • Project Management approach to include proactive performance measures, risk identification, and reporting. • Identification of the tools that will be used for project management and tracking and how access to these tools will be provided to the DLIR project team. • Methodology for Monitoring the Change Process and the associated deliverables. • Solution configuration and development approach and methods. • Project key performance indicators and how they are monitored and reported - must include, at a minimum, measurements of schedule, cost, scope, and quality. • Proposed process of Issue Logging and Resolution and tools they use. • Proposed Risk Management process to include identification, tracking, reporting, escalation. 		

Round 1	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
		<ul style="list-style-type: none"> Quality Management Plan, process, key performance indicators and deliverables, including formal reviews and signoffs (as described in Section 9.4). Project Closeout process and deliverables, including description of how project management related information will be retained. 		
Evaluation Criteria 8 Preliminary Functional Requirements	125	<p>The Offeror shall submit the following:</p> <ul style="list-style-type: none"> OF-4 Requirements Traceability Matrix 	This category includes, but is not limited to the OF-4 Requirements Traceability Matrix.	Template Utilization
Evaluation Criteria 9 Preliminary Technical Requirements	100	<p>The Offeror shall submit the following:</p> <ul style="list-style-type: none"> OF-4 Requirements Traceability Matrix OF-6 Level of Customization 	This category includes, but is not limited to the OF-4 Requirements Traceability Matrix.	Template Utilization
Evaluation Criteria 10 Testing Plan	100	<p>The Offeror shall submit the following:</p> <ul style="list-style-type: none"> Testing strategy and approach brief. This narrative should include: Automated testing, success measures, testing methodology, and entry and exit criteria for each testing phase, migration path, approvals, and migration workflow tools. 	<p>This category includes, but is not limited to the following:</p> <p>Provided narrative of testing strategy and approach Responses to OF-8 Ongoing Service Requirements Responses to OF-9 Implementation Services Requirements</p>	<p>5 Pages</p> <p>AND</p> <p>Template Utilization</p>

Round 1	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
		<p>This includes DLIR resources, IT resources, and external users (claimants, employers).OF-8 Ongoing Services Requirements</p> <ul style="list-style-type: none"> • OF-9 Implementation Services Requirements 		
Evaluation Criteria 11 Training Plan	100	<p>The Offeror shall submit the following:</p> <ul style="list-style-type: none"> • An overview of the proposed training plan, strategy, specifying how and when training is to be delivered. Timing focus on early and often within the implementation life cycle. Additional focus should be placed on and often within the implementation life cycle. Explain the roles and responsibilities that DLIR are expected to provide for the training effort including, but not limited to training coordination, training material development, training delivery, etc. • OF-9 Implementation Services Requirements 	<p>This category includes, but is not limited to, the specific requirements in OF-9 Implementation Services Requirements along with the training plan/strategy provided by the Offeror.</p>	<p>5 Pages</p> <p>AND</p> <p>Template Utilization</p>
Evaluation Criteria 12 Implementation Costs	200	<p>The Offeror shall submit the following:</p> <ul style="list-style-type: none"> • OF-5: Cost Proposal Form 	<p>Prices will be evaluated for competitiveness and reasonableness. The State may use any or all price analysis techniques and procedures to determine price reasonableness. See Attachment E - Deliverables.</p>	<p>Template Utilization</p>

Round 1	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
		<p>Note: Complete the “Cost of Scheduled Deliverable” tab</p> <p>Additionally, detail the provisions of the initial software purchase or subscription, including the user licensing model(s) being offered, such as: concurrent users, named users, unlimited users, or a hybrid model. This initial software purchase or subscription is to cover the period from Notice of Award through the end of the contract.</p> <p>Detail the cost of the solution’s base configuration that meets DLIR’s requirements as well as any additional functionality or customizations for DLIR to consider adding to the base configuration at the sole discretion of DLIR.</p>	<p>The State may use any or all price realism techniques and procedures for the purpose of measuring an Offeror’s understanding of the solicitation requirements or in assessing the risk inherent in an Offeror’s Proposal.</p> <p>Prices shall include all applicable federal, state, and local taxes, and all Proposal shall be interpreted by the State as including all applicable federal, state, and local taxes.</p> <p>All prices shall be guaranteed for each year of the contract. Requests for price adjustments shall not be considered.</p>	
<p>Evaluation Criteria 13 O&M Costs</p>	<p>150</p>	<p>The Offeror shall submit the following:</p> <ul style="list-style-type: none"> • OF-5: Cost Proposal Form <p>Note: Complete all tabs within this workbook.</p>	<p>Prices will be evaluated for competitiveness and reasonableness. The State may use any or all price analysis techniques and procedures to determine price reasonableness.</p> <p>The State may use any or all price realism techniques and procedures for the purpose of measuring an Offeror’s understanding of the solicitation requirements</p>	<p>Template Utilization</p>

Round 1	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
			<p>or in assessing the risk inherent in an Offeror’s Proposal.</p> <p>Prices shall include all applicable federal, state, and local taxes, and all Proposal shall be interpreted by the State as including all applicable federal, state, and local taxes. Prices shall be entered for each of the five years proposed in OF-5 Cost Proposal Form.</p> <p>All prices shall be guaranteed for each year of the contract. Requests for price adjustments shall not be considered.</p>	
<p>Evaluation Criteria 14 Ongoing Services</p>	<p>100</p>	<p>The Offeror shall submit the following:</p> <ul style="list-style-type: none"> • Transition plan from implementation to operations. • Change and release management process – including (global) upgrades, and custom (Hawaii-specific) enhancements, and RACI model for such. • Overall M&O RACI plan (end user support, upgrades & patches, incidents and major incidents, security management, data management, IAM, network & infrastructure) • OF-7 Service Level Agreements 	<p>This area includes, but is not limited to, the specific requirements contained within:</p> <ul style="list-style-type: none"> • Offeror provided Transition Plan (implementation to maintenance) • Offeror provided Change and Release Management Process • Other Offeror provided artifacts • OF-8 Ongoing Service Requirements • OF-7 Service Level Agreements 	<p>10 Pages</p> <p>AND</p> <p>Template Utilization</p>

Round 1	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
		<ul style="list-style-type: none"> OF-8 Ongoing Services Requirements 		
Total Possible Points	1400			

8.1.6 Round 2 Evaluation Criteria:

- Total possible points for Round 2 are 800 (see Round 2 Evaluation Categories below).
- Vendor Demonstrations will occur in person, only, at the DLIR offices. See Significant Dates *Section 1.1*.
- The State reserves the right to further define or add *additional criteria to Offeror demonstrations or to request best and final offers but is under no obligation to do so.*
- The State reserves the right to forego Offeror presentations and select Offeror(s) *based on written proposals submitted.*

The evaluation criteria for Round 2, maximum points possible for each criterion, Offeror submittal requirements, and page limits/template instructions are listed below:

Round 2	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
Evaluation Criteria 15 Organizational Change Management	100	The Offeror shall submit the following: <ul style="list-style-type: none"> Change Management Plan Change Management Communication Plan Change Management Matrix Change Management Key Stakeholder engagement Change Management Status Reporting Change Management education & awareness milestones OF-9 Implementation Services Requirements 	This category includes, but is not limited to the following: OCM artifacts Requirements identified in OF-9 Implementation Services Requirements Requirements identified in OF-8 Ongoing Services Requirements	30 Pages

Round 2	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
<p>Evaluation Criteria 16 System Demonstrations – Tax</p>	100	<ul style="list-style-type: none"> • OF-8 Ongoing Services Requirements <p>The Offeror shall provide:</p> <ul style="list-style-type: none"> • Software demonstrations and implementation presentations to be held on-site at the DLIR offices and can cover the Tax functional area. <p>Demonstrations will include both presentations on software and implementation services. It is recommended that key members of the Offerors implementation staff proposed for this project be present at the demonstration and lead the presentation of any implementation topics in this area.</p> <p>Offerors will be responsible for any pre-contractual expenses incurred, including but not limited to costs incurred in the preparation or submission of proposals, demonstration, and interviews/discovery.</p> <p>To avoid unnecessary delays, the Organizations expect that proposers will be available for software demonstrations as identified on procurement schedule.</p> <p>The agenda and software demonstration scripts will be distributed to Offerors that have been short-listed for software demonstrations approximately two to three weeks in advance of the demonstrations.</p>	<p>Live demonstrations and working sessions will be conducted in order to measure the quality, suitability, and flexibility of the system to include, but not limited to, the requirements identified in the OF-4 Requirements Traceability Matrix, Tax Tab.</p>	N/A

Round 2	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
		Software demonstrations will also include a discussion on implementation. DLIR reserves the right to change the dates as needed.		
Evaluation Criteria 17 Systems Demonstrations – Benefits	100	<p>The Offeror shall provide:</p> <ul style="list-style-type: none"> • Software demonstrations and implementation presentations to be held on-site at the DLIR offices and can cover the Benefits functional area. <p>Demonstrations will include both presentations on software and implementation services. It is recommended that key members of the Offerors implementation staff proposed for this project be present at the demonstration and lead the presentation of any implementation topics in this area.</p> <p>Offerors will be responsible for any pre-contractual expenses incurred, including but not limited to costs incurred in the preparation or submission of proposals, demonstration, and interviews/discovery.</p> <p>To avoid unnecessary delays, the Organizations expect that proposers will be available for software demonstrations as identified on procurement schedule.</p> <p>The agenda and software demonstration scripts will be distributed to Offerors that have been short-listed for software</p>	Live demonstration and working sessions will be conducted in order to measure the quality, suitability, and flexibility of the system to include, but not limited to, the requirements identified in the OF-4 Requirements Traceability Matrix, Benefits Tab.	N/A

Round 2	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
		<p>demonstrations approximately two to three weeks in advance of the demonstrations.</p> <p>Software demonstrations will also include a discussion on implementation. DLIR reserves the right to change the dates as needed.</p>		
<p>Evaluation Criteria 18 System Demonstrations - Appeals</p>	<p>100</p>	<p>The Offeror shall provide:</p> <ul style="list-style-type: none"> • Software demonstrations and implementation presentations to be held on-site at the DLIR offices and can cover the Appeals functional area. <p>Demonstrations will include both presentations on software and implementation services. It is recommended that key members of the Offerors implementation staff proposed for this project be present at the demonstration and lead the presentation of any implementation topics in this area.</p> <p>Offerors will be responsible for any pre-contractual expenses incurred, including but not limited to costs incurred in the preparation or submission of proposals, demonstration, and interviews/discovery.</p> <p>To avoid unnecessary delays, the Organizations expect that proposers will be available for software demonstrations as identified on procurement schedule.</p> <p>The agenda and software demonstration scripts will be distributed to Offerors that</p>	<p>Live demonstration and working sessions will be conducted in order to measure the quality, suitability, and flexibility of the system to include, but not limited to, the requirements identified in the OF-4 Requirements Traceability Matrix, Appeals Tab.</p>	<p>N/A</p>

Round 2	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
		<p>have been short-listed for software demonstrations approximately two to three weeks in advance of the demonstrations.</p> <p>Software demonstrations will also include a discussion on implementation. DLIR reserves the right to change the dates as needed.</p>		
<p>Evaluation Criteria 19 Systems Demonstrations – General</p>	<p>100</p>	<p>The Offeror shall provide:</p> <ul style="list-style-type: none"> • Software demonstrations and implementation presentations to be held on-site at the DLIR offices and can cover the General area. <p>Demonstrations will include both presentations on software and implementation services. It is recommended that key members of the Offerors implementation staff proposed for this project be present at the demonstration and lead the presentation of any implementation topics in this area.</p> <p>Offerors will be responsible for any pre-contractual expenses incurred, including but not limited to costs incurred in the preparation or submission of proposals, demonstration, and interviews/discovery.</p> <p>To avoid unnecessary delays, the Organizations expect that proposers will be available for software demonstrations as identified on procurement schedule.</p>	<p>Live demonstration and working sessions will be conducted in order to measure the quality, suitability, and flexibility of the system to include, but not limited to, the requirements identified in the OF-4 Requirements Traceability Matrix, LEP, LMI, Reporting and Financial-Research&Analysis Tab.</p>	<p>N/A</p>

Round 2	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
		<p>The agenda and software demonstration scripts will be distributed to Offerors that have been short-listed for software demonstrations approximately two to three weeks in advance of the demonstrations.</p> <p>Software demonstrations will also include a discussion on implementation. DLIR reserves the right to change the dates as needed.</p>		
<p>Evaluation Criteria 20 Technical Discussions and Demonstrations</p>	<p>200</p>	<p>The Offeror shall provide:</p> <ul style="list-style-type: none"> • Software demonstrations and implementation presentations to be held on-site at the DLIR offices and can cover the technical areas. <p>Demonstrations will include both presentations on software and implementation services. It is recommended that key members of the Offerors implementation staff proposed for this project be present at the demonstration and lead the presentation of any implementation topics in this area.</p> <p>Offerors will be responsible for any pre-contractual expenses incurred, including but not limited to costs incurred in the preparation or submission of proposals, demonstration, and interviews/discovery.</p> <p>To avoid unnecessary delays, the Organizations expect that proposers will be available for software demonstrations as identified on procurement schedule.</p>	<p>Live demonstration and working sessions will be conducted in order to measure the quality, suitability, and flexibility of the system to include, but not limited to, the requirements identified in the OF-4 Requirements Traceability Matrix, System and Security Tabs.</p>	<p>N/A</p>

Round 2	Points Possible	Offeror Submittal Required	Evaluation Criteria	Maximum Pages
		<p>The agenda and software demonstration scripts will be distributed to Offerors that have been short-listed for software demonstrations approximately two to three weeks in advance of the demonstrations.</p> <p>Software demonstrations will also include a discussion on implementation. DLIR reserves the right to change the dates as needed.</p>		
Evaluation Criteria 21 Data Conversion Strategy	100	<p>The Offeror shall submit the following:</p> <ul style="list-style-type: none"> • Data Conversion Strategy to include the following: <ul style="list-style-type: none"> ▪ Data conversion approach to include: ▪ Testing Process ▪ Data Validation ▪ Data Reconciliation Approach with Examples ▪ Data Migration Security 	This area includes, but is not limited to, the quality and method utilized throughout the data conversion process.	10 Pages
Total Possible Points	800			

8.2 Notice of Award

After a final selection is made, the State will issue a notice of award on its electronic procurement system (HIePRO). Upon award, proposal files are public records and are available for review by submitting a Request for Access to Government Record. Information on the Office of Information Practices and forms may be found at <http://oip.hawaii.gov>.

8.3 Debriefing

Pursuant to HAR §3-122-60, a non-selected Offeror may request a debriefing to understand the source selection decision and contract award.

A written request for debriefing shall be made within three (3) working days after the posting of the award of the contract. The Procurement Officer or designee shall hold the debriefing within seven (7) working days to the extent practicable from the receipt date of the written request.

A protest by the requestor following a debriefing shall be filed within five (5) working days, as specified in HAR §103D-303(h). See Special Provisions Section 10.11 Protest Procedures for submitting a protest.

Section 9: Contract Management

Contract management refers to post-award type activities, such as contract implementation, contract administration, measurement of work completion, and payment computation based on deliverables. Moreover, it involves the monitoring of a contract, making important changes and modifications to the contract, and dealing with related problems. Focused attention to contract management considerations facilitates a positive working relationship between the government customer, procurement staff, and the contractor for the successful implementation of the contract award.

9.1 Post-Award Communications: Contract Administrator

The Contract Administrator identified below is the single point of contact (POC) **post-award**. The contractor shall direct to the Contract Administrator all questions concerning the post-award process and any other questions that may arise related to the resulting contract. The Contract Administrator designated by the State of Hawaii, Department of Labor and Industrial Relations is:

Lizabeth Thomas
RFP Contact Person, Contract Administrator, and Project Manager
DLIR, Unemployment Insurance Division
830 Punchbowl, Room 325
lizabeth.thomas@hawaii.gov
Phone: (808) 586-9051

9.2 Contractor/State Meetings

The contractor shall participate in initial meetings with the State to discuss the contract, including but not limited to, an estimated timeline for transition and implementation, status reports of the transition and implementation, the expectation of deliverables, training sessions, and follow-up meetings.

9.3 Dispute Process and Escalation

Refer to Exhibit 2, Attorney General (AG) General Conditions. Disputes shall be resolved in accordance with section §103D-703, HRS, and Chapter 3-126, HAR.

9.4 Quality Control

The Contractor shall provide quality services and products and management oversight of all processes. The Contractor shall use key performance indicators that are acceptable within the specific market industry to manage and monitor quality performance. The Contractor shall provide accurate data and reports and meet deliverables, with emphasis on the overall success and positive impact on the project. The Contractor shall provide management, support, and qualified personnel to accomplish the objectives of the Contract.

9.4.1 Key Performance Indicators (KPIs)

RFP Reference	Items	Due Date
Section 1.7 Period of Performance	Length of time to complete the Analysis and Requirements Finalization Phase	1/30/2024
Section 1.7 Period of Performance	Length of time to complete the Design Phase	5/29/2024
Section 1.7 Period of Performance	Length of time to complete the Development Phase	11/25/2024
Section 1.7 Period of Performance	Length of time to complete the Integration Phase	5/24/2025
Section 1.7 Period of Performance	Length of time to complete the System Testing Phase	11/20/2025
Section 1.7 Period of Performance	Length of time to complete the UAT Phase	4/19/2026
Section 1.7 Period of Performance	Length of time to complete the Go-Live Phase	7/18/2026

9.5 Post Award Deliverables

The contractor shall provide the following deliverables within six (6) weeks of the effective date of the Contract: upon request of the State, the following, including but not limited to deliverable items:

- (a) Project Charter
- (b) Project Management Plan
- (c) Work Break Down Structure
- (d) Project Schedule
- (e) Scope Change Management Tool
- (f) Issue/Risk Management Tool
- (g) Preliminary Planned Architecture Diagram – to include hosting facilities
- (h) ERD – Entity Relationship Diagram
- (i) Data Model for both metadata and database layers

Section 10: Special Provisions

10.1 Scope

The Offeror scope of work, roles and responsibilities that encompass this RFP are outlined within the following documents:

10.1.1 OF-9 Implementation Services Requirements

Offeror Roles and Responsibilities fall within the following categories throughout the implementation period of this contract:

1. Project Planning
2. Initial Analysis and Design
3. Final Analysis and Design
4. Configuration and Development
5. Testing and Training
6. Deployment and Go-Live Support
7. Warranty Services

10.1.2 OF-8 Ongoing Services Requirements

Offeror Roles and Responsibilities fall within the following categories throughout the contract period:

1. Hosting (For SaaS and Offeror-Hosted Options)
2. Hosting Services
3. Maintenance and Operations Support
4. System Operations and Administration
5. System Monitoring
6. Incident and Problem Management (Level 1 and Level 2)
7. UIS System Problem Management Services (Level 2 and Level 3)
8. Root Cause Analysis
9. User Account Management
10. Security Administration
11. Storage Management
12. Output Management
13. Batch – Job Control and Scheduling
14. UIS Router Remote Access
15. Database Administration
16. OS, Application and Database Backup and Recovery
17. Change and Release Management
18. Configuration Management
19. Capacity Management
20. Performance Management
21. Disaster Recovery
22. Break Fix Support Services
23. Continuous Improvement Services
24. Minor Enhancements and Ad-Hoc Requests
25. Documentation

- 26. Service Management and Quality Assurance (QA)
- 27. Service Level Reporting
- 28. Business Process Outsourcing (Optional)
- 29. Project Onsite Team

10.2 Intellectual Property Rights

The State reserves the right to unlimited, irrevocable, worldwide, perpetual, royalty-free, non-exclusive licenses to use, modify, reproduce, perform, release, display, create derivative works from, and disclose the work product, and to transfer the intellectual property to third parties for State purposes.

10.3 Warranty

The Contractor must provide a warranty period of at least one (1) calendar year beginning the day after DLIR acceptance and approval of all deliverables and services, see Attachment E - Deliverables. Defects identified must be corrected at no additional cost to the State. The Warranty covers defects that DLIR reports to the Contractor using the approved process on or before the Warranty Period End Date. Correction and testing of such defects may extend beyond the Warranty Period End Date as needed until acceptance. Lower priority warranty defects shall be corrected at no cost during the duration of the contract, regardless of when they are prioritized.

The Contractor and DLIR will agree in writing on the Warranty process before the Warranty period begins, including but not limited to identification and reporting, correcting, testing and acceptance, production software release, warranty completion confirmation process, escalation paths, and warranty staff location, using an existing DLIR template.

10.4 Termination for Convenience or Unavailability of Funds

The State reserves the right to terminate the Contract for unavailability of funds. The State shall give notice no less than thirty (30) days prior to termination for unavailability of funds and shall specify a date of termination. The Contractor shall be reimbursed for all work, including DLIR accepted deliverables, completed through the date of termination. Notwithstanding any other provision of the Contract to the contrary, the State may terminate the Contract for convenience and without cause at any time by giving notice thirty (30) days prior to termination. The Contractor shall stop all work under the Contract upon State's notice of termination to The Contractor, unless otherwise permitted in writing by the State to continue work.

10.5 Preferences

a. **HAWAII PRODUCTS PREFERENCE**

In accordance with HRS §103D-1002 and HAR §3-124 Subchapter 1, the Hawaii

Products (HP) preference is applicable to this solicitation. Hawaii Products may be available for those items noted on the offer form. The Hawaii products list is available on the SPO webpage at <http://spo.hawaii.gov/for-vendors/hawaii-product-preferences/>.

In accordance with HRS §103D-1002 and HAR §3-124 Subchapter 1, the Hawaii products preference may be applicable to this solicitation for products that are mined, excavated, produced, manufactured, raised, or grown in the State and where the cost of the Hawaii input towards the products exceeds fifty percent of the total cost of the product; where the value of the input exceeds fifty percent of the total cost, the product shall be classified as either Class I (10%) or Class II (15%).

The Hawaii Products List is available on the SPO website at <http://spo.hawaii.gov>; click on “For Vendors” > “Hawaii Product Preferences.”

Offeror submitting a Hawaii Product (HP) shall identify the HP on the solicitation offer page(s). Any person desiring a Hawaii product preference shall have the product(s) certified and submitted if not currently on the Hawaii products list, prior to the SPO-038 due date specified in the procurement notice and solicitation, pursuant to HAR §3-124-4. The responsibility for certification and qualification shall rest upon the person requesting the preference.

Persons desiring to qualify their product(s) not currently on the Hawaii product list shall complete form SPO-038, *Certification for Hawaii Product Preference*, and submit to the Procurement Officer issuing the solicitation (RFP). All additional information required by the Procurement Officer shall be provided at no cost to the State. For each product, one form shall be completed and submitted (i.e., 3 products should have 3 separate forms completed). Form SPO-038 is available on the SPO webpage at <http://spo.hawaii.gov>; click on “Forms” then search for SPO-038. Submit a *Certification for Hawaii Product Preference* (form SPO-038) to

Vyhien Peyton, Procurement Officer
DLIR, Administrative Services
830 Punchbowl St.
Honolulu, HI 96813

Late SPO-038 submittals for this solicitation will not be reviewed by this agency.

If the procurement officer approves the SPO-038, an addendum shall be issued showing the new qualified Hawaii product(s) pursuant to HAR 3-124-4(e).

An Offeror who fails to designate that the offer is a Hawaii product shall be presumed to be providing a non-Hawaii product, and award, if made to that Offeror, shall be on the basis that a non-Hawaii product shall be delivered.

Failure to obtain certification and product qualification prior to the deadline for receipt of offer(s), shall indicate that Offeror is providing a non-Hawaii product, and award, if made to that Offeror, shall be on the basis that a non-Hawaii product may be delivered. For evaluation purposes, no preference shall be considered when only Hawaii products are being offered by all offerors.

When a solicitation contains both HP and non-HP, then for the purpose of selecting the lowest bid or purchase price only, the price offered for an HP item shall be decreased by subtracting 10% for the Class I or 15% for the Class II HP items offered, respectively. The contract amount of any contract awarded, however, shall be the amount of the price offered, exclusive of the preferences.

Change in the availability of Hawaii products. In the event of any change that materially alters the offeror's ability to supply Hawaii products, the offeror shall notify the procurement officer in writing no later than five (5) working days from when the offeror knows of the change and the parties shall enter into discussions for the purposes of revising the contract or terminating the contract for convenience.

Sample Language: Include on Solicitation Offer Page

The following offer is hereby submitted for Disposable Polyethylene Bags, as specified herein:

Item No.	Brief Description	Recycled Product (x)	Estimated Quantity (Bags)	Unit Bid Price Per Bag	Estimated Total Bid Price
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GROUP 1. LOW/LINEAR LOW-DENSITY POLYETHYLENE

A Hawaii Product and a Recycled Product preference are available for Items 1 to 8. In accordance with the Special Provisions, Offerors **shall** indicate below whether or not a Hawaii Product is being offered. Offerors offering a Hawaii Product shall specify the product and class of the product offered.

- 24" (15" x 9")W x 24" L,
 10 gal. capacity,
 1 mil minimum
 Net wt. per 500 bags: () 17,500 \$ _____ \$ _____
 19.1 lbs. minimum

<input type="checkbox"/> Non-Hawaii Product	Dimensions	_____
<input type="checkbox"/> Hawaii Product	Quantity of bags per case	_____
<input type="checkbox"/> Class I <input type="checkbox"/> Class II	Net wt. per case	_____
	Gauge	_____
	Cost per case	_____

Brand Name & Product No. _____

b. SOFTWARE DEVELOPMENT BUSINESSES PREFERENCE

HAR §3-124 Subchapter 5, provides in part that:

The preference shall apply to all bids or offers issued by a purchasing agency when so stated in the solicitation.

Bids issued by a governmental agency pursuant to HRS §103D-301 shall contain a notice stating that a price preference will be given to Hawaii software development businesses. This price preference will be ten percent of the bid price and will be used for bid evaluation.

Offerors requesting a preference shall submit a completed certification form, as required by HAR §3-124-33, with each bid. Previous certifications shall not apply unless allowed by the bid.

Any Offeror who fails to indicate that it is a Hawaii software development business will be presumed to be a non-Hawaii software development business and the Offeror's proposal will be increased by ten percent for purposes of evaluation. Where a bid or purchase contains both Hawaii software development businesses and non-Hawaii software development businesses then for the purpose of selecting the lowest offer, the original bid price for the non-Hawaii software development businesses shall be increased by ten percent.

The responsible offeror submitting the lowest evaluated bid(s), taking into consideration all applicable preferences shall be awarded the contract, provided the product being offered meets the minimum bid specifications.

The contract amount of any contract awarded shall be the original bid price offered, exclusive of any preferences.

10.6 Certification of Offeror Concerning Wages, Hours, and Working Condition of Employees Supplying Services

All Offerors for service contracts shall comply with section HRS §103-55, which provides in part as follows:

Wages, hours, and working conditions of employees of Contractor supplying services:
Before any prospective Offeror is entitled to submit an offer for the performance of any contract to supply services in excess of \$25,000 to any governmental agency, Offeror shall certify that the services to be performed will be performed under the following conditions:

Wages: The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work.

Compliance with labor laws: All applicable laws of the Federal and State governments relating to workers' compensation, unemployment compensation, payment of wages, and safety will be fully complied with.

No contract to perform services for any governmental contracting agency in excess of \$25,000 shall be granted unless all the conditions of this section are met. Failure to comply with the conditions of this section during the period of the contract to perform services shall result in the cancellation of the contract. HRS §103-55 allows a contractor to correct the noncompliance within a reasonable period as determined by the procurement officer.

It shall be the duty of the government contracting agency awarding the contract to perform services in excess of \$25,000 to enforce this section.

This section shall apply to all contracts to perform services in excess of \$25,000, including contracts to supply ambulance service and janitorial service.

This section shall not apply to:

- 1) Managerial, supervisory, or clerical personnel.
- 2) Contracts for supplies, materials, or printing.
- 3) Contracts for utility services.
- 4) Contracts to perform personal services under paragraphs (2), (3), (12), and (15) of section 76-16(b), paragraphs (7), (8), and (9) of section 46-33, and paragraphs (7), (8), and (12) of section 76-77, Hawaii Revised Statutes, (HRS).
- 5) Contracts for professional services.
- 6) Contracts to operate refreshment concessions in public parks, or to provide food services to educational institutions.
- 7) Contracts with nonprofit institutions.

10.7 Responsibility of Offerors

The Offeror is advised that in order to be awarded a contract under this solicitation, the Offeror will be required, to be compliant with all laws governing entities doing business in the State including the following chapters and pursuant to Hawaii Revised Statutes HRS §103D-310(c):

- Chapter 237, General Excise Tax Law;
- Chapter 383, Hawaii Employment Security Law;
- Chapter 386, Worker's Compensation Law;
- Chapter 392, Temporary Disability Insurance;
- Chapter 393, Prepaid Health Care Act; and
- §103D-310(c), Certificate of Good Standing (COGS) for entities doing business in the State.

10.7.1 Vendor Compliance - Hawaii Compliance Express (HCE)

Offerors may use the HCE, which is an electronic system that allows Offerors/Contractors/service providers doing business with the State to quickly and easily demonstrate compliance with applicable laws. It is an online system that replaces the necessity of obtaining paper compliance certificates from the Department of Taxation, Federal Internal Revenue Service, Department of Labor and Industrial Relations, and Department of Commerce and Consumer Affairs.

10.7.2 Timely Registration on HCE

Contractors/service providers intending to use the HCE to demonstrate compliance are advised to register on HCE as soon as possible at <https://vendors.ehawaii.gov>. The annual subscription fee is \$12.00, and the 'Certificate of Vendor Compliance' is accepted for the execution of a contract and final payment. If a Contractor/service provider is not compliant on HCE at the time of award, the Offeror will not receive the award.

10.7.3 Verification of Compliance on the HCE

Prior to awarding this contract, the State shall verify compliance of the Contractor(s).

10.7.4 Vendor Compliance - Paper Documents

Offerors not utilizing the HCE to demonstrate compliance shall provide the paper certificates to the DLIR as instructed below. All certificates must be valid on the date it is received by the DLIR. Timely applications for all applicable clearances are the responsibility of the Offeror.

10.7.4.1 HRS Chapter 237 Tax Clearance Requirement for Award

Pursuant to Section §103D-328, HRS, the Contractor shall be required to submit a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS). The certificate shall have an original, green-certified copy stamp and shall be valid for six (6) months from the most recent approval stamp date on the certificate.

The *Tax Clearance Application*, Form A-6, and its completion and filing instructions, are available on the DOTAX website: <http://tax.hawaii.gov/forms/>.

10.7.4.2 HRS Chapters 383 (Unemployment Insurance), 386 (Workers' Compensation), 392 (Temporary Disability Insurance), and 393 (Prepaid Health Care) requirements for award

Pursuant to Section §103D-310(c), HRS, the Contractor shall be required to submit a certificate of compliance issued by the Hawaii State Department of Labor and Industrial Relations (DLIR). The certificate is valid for six (6) months from the date of issue. A photocopy of the certificate is acceptable to the DLIR.

The *DLIR Form LIR#27 Application for Certificate of Compliance with Section 3-122-112, HAR*, and its filing instructions are available on the DLIR website: <http://labor.hawaii.gov/forms/>.

10.7.5 Compliance with Section §103D-310(c), HRS, for an entity doing business in the State.

This is not required if utilizing the Hawaii Compliance Express.

The Contractor shall be required to submit a *Certificate of Good Standing (COGS)* issued by the State of Hawaii Department of Commerce and Consumer Affairs (DCCA) - Business Registration Division (BREG). The Certificate is valid for six (6) months from the date of issue. A photocopy of the certificate is acceptable to the Department of Labor and Industrial Relations (DLIR).

To obtain the certificate, the Contractor must be registered with the BREG. A sole proprietorship is not required to register with the BREG and is therefore not required to submit the certificate.

For more information regarding online business registration and the COGS is available at <http://cca.hawaii.gov/breg/>.

10.7.6 Timely Registration

The above certificates should be applied for and submitted to the State as soon as possible. If a valid certificate is not submitted on a timely basis for an award of a contract, an Offeror otherwise responsive, may not receive the award.

10.7.7 Verification of Compliance

Upon receipt of compliance documents, the State reserves the right to verify their validity with the respective issuing agency. The Contractor shall maintain their compliance throughout the term of the contract.

10.7.8 Required Review

Before submitting a proposal, each Offeror must thoroughly and carefully examine this RFP, any attachment, addendum, and any other relevant document, to ensure Offeror understands the requirements of the RFP. Offeror must also become familiar with State, local, and Federal laws, statutes, ordinances, rules, and regulations that may in any manner affect cost, progress, or performance of the work required.

Should Offeror find defects and questionable or objectionable items in the RFP, Offeror shall notify the State in writing prior to the deadline for written questions as stated in the Section 1.1 Schedule and Significant Dates, as amended. This will allow the issuance of any necessary corrections and/or amendments to the RFP by addendum and mitigate reliance on a defective solicitation and exposure of proposal(s) upon which award could not be made.

10.8 Proposal Preparation

An Offeror may submit only one Proposal in response to the RFP. If an Offeror submits more than one Proposal, all Offeror's Proposals shall be rejected. Similarly, an Offeror may submit only one offer for each RFP Requirement. If an Offeror submits more than one offer for each RFP Requirement, then all offers for that RFP Requirement shall be rejected.

Proposals submitted by competing subsidiaries or jointly owned companies shall be accepted if submitted with a certificate of non-collusion, sworn to before a notary, which acknowledges that the proposal is without collusion.

10.8.1 Offer Form OF-1

Offer Form OF-1 is required to be completed using Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable, in the appropriate space on OFFER FORM.

The Offeror's authorized signature on the OFFER FORM, OF-1 shall be an original signature in ink, which shall be required before an award, if any, can be made. The submission of the proposal shall indicate Offeror's intent to be bound.

Completion of Offer Form OF-1 is Offeror's acknowledgment and agreement to provide services in all categories identified in the RFP, agreement to provide services in all fifty states, and the understanding of evaluation criteria and process.

10.8.2 Offer Guaranty

An offer guaranty is NOT required for this RFP.

10.8.3 Tax Liability and County Surcharge

Work to be performed under this solicitation is a business activity taxable under HRS Chapter 237, and if applicable, taxable under HRS Chapter 238. Offerors are advised that they are liable for Hawaii GET at the current 4.0% rate for transactions made on Oahu, Hawaii, Maui, Kauai, Molokai, and Lanai or the applicable Use tax. If, however, an Offeror is a person exempt by the HRS from paying the GET and therefore not liable for the taxes on this solicitation, the Offeror shall state its tax-exempt status and cite the HRS chapter or section allowing the exemption.

County surcharges on state general excise (GE) tax or Use tax may be visibly passed on but are not required. For more information on county surcharges and the max pass-on tax rate, please visit the Department of Taxation's website at <http://tax.hawaii.gov/geninfo/countysurcharge>.

10.8.4 Federal I.D. No. and Hawaii General Excise Tax License I.D.

Offeror shall submit its current Federal I.D. No. and Hawaii General Excise Tax License I.D. number in the space provided on OFFER FORM, thereby attesting that the Offeror is doing business in the State and that Offeror will pay such taxes on all sales made to the State.

10.9 Confidentiality

- 10.9.1** If an Offeror in good faith considers a portion of an Offer, or correspondence with the State, to contain confidential information, it shall follow the procedures set forth in Section 6.5 Required Format and Content. Costs included or required to be included in an Offer cannot be confidential and will not be withheld from public access.
- 10.9.2** Any Offeror may request the nondisclosure of designated trade secrets or other proprietary data it considers confidential. Such request shall be in writing specifically identifying the information or material asserted to be confidential and the justification for confidential treatment. The request shall be submitted with the submission of the Offer. The information or material asserted by the Offeror to be confidential to the Offeror shall be clearly marked and be submitted in or with the Offer in such manner as to be readily separable from the Offer (or remaining portion of the Offer) to facilitate public access to and inspection of the non-confidential portion of the Offer. Total Cost proposals cannot be marked confidential.
- 10.9.3** Pursuant to HAR §3-122-58, the State will consult with the Attorney General regarding an Offeror's request for confidentiality of part of its Offer. The Attorney General shall determine what portions of the request are confidential under Law and what portions are not, in accordance with HRS Chapter 92F. The State shall communicate the Attorney General's determination to the Offeror in writing. If the request for confidentiality is denied in whole or in

part, the information or material deemed to be non-confidential shall be made available as public information unless the Offeror appeals pursuant to HRS § 92F-42(1).

10.10 Redaction by the State

If the State determines, pursuant to HRS §92F-13, that any information or material in an Offer, any written question or submission by a Prospective Offeror, an Offeror or a Contractor, any response to any question or submission from a Prospective Offeror, Offeror or Contractor, and/or any Contract document is not required to be disclosed, then the State shall segregate, or redact, or otherwise cause any such information or material to not be made available as public information.

10.11 Protest Procedures

Pursuant to HRS §103D-701 and HAR §3-126-3, an actual or prospective Offeror who is aggrieved in connection with the solicitation or award of a contract may submit a protest. Any protest shall be submitted in writing to the Procurement Officer at:

Vyhien Peyton, Procurement Officer
DLIR, Administrative Services
830 Punchbowl St.
Honolulu, HI 96813

A protest shall be submitted in writing within five (5) working days after the aggrieved person knows or should have known of the facts giving rise thereto; provided that a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offers. Further, provided that a protest of an award or proposed award shall be submitted within five (5) working days after the posting of award or if requested, within five (5) working days after the Procurement Officer's debriefing was completed.

The notice of award, if any, resulting from this solicitation shall be posted on the State of Hawaii electronic procurement site.

10.12 Notice to Proceed

Work will commence on the official commencement date specified on the Notice to Proceed.

10.13 Contract Execution

The successful Offeror receiving award shall enter into a formal written contract to be signed by the Contractor and returned within ten (10) working days.

No performance or payment bond is required for this contract.

No work is to be undertaken by the Contractor prior to the commencement date specified on the Notice to Proceed. The State of Hawaii is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to the official starting date.

If an option to extend is mutually agreed upon, the Contractor shall be required to execute a supplemental contract for the additional extension period.

10.14 Liability Insurance

The Contractor shall maintain in full force and effect during the life of this contract, liability, and property damage insurance to protect the Contractor and his Subcontractors, if any, from claims for damages for personal injury, accidental death, and property damage which may arise from operations under this contract, whether such operations be by the Contractor or by Subcontractor or anyone directly or indirectly employed by either of them. If any Subcontractor is involved, the insurance policy or policies shall name the Subcontractor as additional insured.

As an alternative to the Contractor providing insurance to cover operations performed by a Subcontractor and naming the Subcontractor as additional insured, the Contractor may require the Subcontractor to provide its insurance, which meets the requirements herein. It is understood that a Subcontractor's insurance policy or policies are in addition to the Contractor's policy or policies.

The following minimum insurance coverage(s) and limit(s) shall be provided by the Contractor, including its Subcontractor(s) where appropriate.

<u>Coverage</u>	<u>Limits</u>
Commercial General Liability (Occurrence form)	\$5,000,000 per occurrence \$10,000,000 aggregate
Automobile Liability	\$1,000,000 per accident

Professional Liability shall be required from Offerors providing professional services requiring a license to conduct its business such as an engineer, architect, accountant, lawyer, information technology services, etc.

Professional Liability. Technology and Professional Liability or Errors and Omissions including data protection, with coverage of not less than ten million dollars (\$10,000,000) per claim and ten million dollars (\$10,000,000) in the aggregate. Such coverage shall include financial losses arising from the Services or services performed and/or Deliverables and/or Work Product provided by Contractor in connection with the Contract as well as all costs associated with security breaches and data losses and/or breaches of, or losses of, personal data regardless of cause (including Contractor

negligence). The provisions of this paragraph shall survive the expiration or termination of the Contract.

Cyber-Security Insurance. Cyber-security insurance, with coverage of not less than \$5 million per occurrence/\$10 million general aggregate, that includes but is not limited to coverage for first-party costs and third-party claims from: (i) failure to protect data, including unauthorized disclosure, use or access, (ii) security failure or privacy breach, (iii) failure to disclose such breaches as required by law, regulation or contract, (iv) notifications, public relations, credit monitoring, postage, advertising, and other services to assist in managing and mitigating a cyber incident, (v) interruptions of business operations, (vi) network security failure, (vii) cyberextortion, (viii) cyber-terrorism, (ix) communications and media liability (e.g., infringement of copyright, title, slogan, trademark, trade name, trade dress, service mark or service name in the policyholder's covered material), (x) EFT, computer, and electronic transmissions fraud and theft, and (xi) other cyber-liability and cyber-crime expenses.

Crime Coverage. Crime Coverage with coverage of not less than five million dollars (\$5,000,000) single limit per loss and ten million dollars (\$10,000,000) in the aggregate, which shall at a minimum cover annual occurrences falling in the following categories: Computer and Funds Transfer Fraud; Forgery; Money and Securities; and Employee Dishonesty.

Each insurance policy required by this contract (with the exception of the Professional Liability, Cyber-Security, and Crime policy), including a Subcontractor's policy, shall contain the following clauses:

- A. "The State of Hawaii is added as an additional insured as respects to operations performed for the State of Hawaii."
- B. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

A Waiver of Subrogation shall apply to the General Liability, Automobile Liability, and Worker's Compensation insurance policies and shall be in favor of the State of Hawaii.

Prior to award, the Contractor agrees to deposit with the State of Hawaii certificate(s) of insurance necessary to satisfy the State that the insurance provisions of this RFP have been complied with and to keep such insurance in effect and the certificate(s) therefore on deposit with the State during the entire term of the price list and price list extensions, if any, including those of its Subcontractor(s), where appropriate. Upon request by the State, Contractor shall be responsible for furnishing a copy of the policy or policies.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default, entitling the State to exercise any or all of the remedies provided in the contract and this RFP for default by the Contractor.

The procuring of such required insurance shall not be construed to limit the Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this RFP. Notwithstanding said policy or policies of insurance, the Contractor shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this price list.

10.15 Contract Invalidation

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

10.16 Mistakes in Proposals

10.16.1 Mistakes shall not be corrected after awarding the contract.

10.16.2 When the Procurement Officer knows or has reason to conclude before award that a mistake has been made, the Procurement Officer may request the offeror to confirm the proposal. If the Offeror alleges a mistake, the proposal may be corrected or withdrawn pursuant to this section.

10.16.3 If discussions are not held, or if the best and final offers upon which award will be made have been received, mistakes shall be corrected to the intended correct offer whenever the mistake and the intended correct offer are clearly evident on the face of the proposal, in which event the proposal may not be withdrawn.

10.16.4 If discussions are not held, or if the best and final offers upon which award will be made have been received, an Offeror alleging a material mistake of fact which makes a proposal non-responsive may be permitted to withdraw the proposal before award if the mistake is clearly evident on the face of the proposal but the intended correct offer is not, or the Offeror submits evidence which clearly and convincingly demonstrates that a mistake was made.

Technical irregularities are matters of form rather than substance evident from the proposal document, or insignificant mistakes that can be waived or corrected without prejudice to other Offerors; that is when there is no effect on the price, quality, or quantity. If discussions are not held or if the best and final offers upon which award will be made have been received, the Procurement Officer may waive such irregularities or allow an Offeror to correct them if either is in the best interest of the State. Examples include the failure of an Offeror to return the number of signed proposals required by the request for proposals; sign the proposal, but only if the unsigned proposal is accompanied by other material indicating the Offeror's intent to be bound, or to acknowledge receipt of an amendment to the request for proposal, but only if it is clear from the proposal that the Offeror received the amendment and intended to be bound by its terms; or the amendment involved had no effect on the price, quality or quantity.

10.17 Modification Prior to Submittal Deadline or Withdrawal of Offers

- 10.17.1** The Offeror may modify or withdraw a proposal before the proposal due date and time via the HIEPRO system.
- 10.17.2** Any change, addition, deletion of attachment(s), or data entry of an Offer may be made prior to the deadline for submittal of offers via the HIEPRO system.
DEBARMENT OR SUSPENSION OF OFFERORS
- 10.17.3** The chief procurement officer may debar or suspend a person or entity for cause from consideration for award of all public contracts and from performance on any public contract in accordance with HRS §103D-702.

10.18 Contract Changes – Unanticipated Amendments

During the course of the contract, the Contractor may be required to perform additional work which shall be within the general scope of the initial contract. When additional work is required, the Contract Administrator will provide the Contractor a written description of the additional work and request the Contractor to submit a firm time schedule for accomplishing the additional work and a firm price for the additional work.

Contractor will not commence additional work until the Contract Administrator has secured the required State approvals necessary for the amendment and an executed written contract amendment has been issued.

10.19 Re-execution of Work

The Contractor shall re-execute any work that fails to conform to the requirements of the contract which appear during the course of the work and shall immediately remedy any defects due to faulty work by the Contractor.

10.20 Constraints

Project Constraints include the following:

- Any selected cloud services provider shall meet the FedRAMP requirements and have attained FedRAMP (Moderate) ATO prior to Award Date. If the Contractor is not FedRAMP certified, and in the cloud, the Contractor shall provide their plan for reaching that certification.
- This Project is limited by the allocated budget and funding timeline obligation and liquidation.
- The business areas providing SMEs will be required to maintain an excellent level of customer service which could limit the availability of DLIR staff during peak workload times.

- IT staff SMEs will be required to maintain the legacy system availability during all phases of the project, which could limit the availability of the technical staff.

10.21 Assumptions

Assumptions related to the Project and procurement are as follows.

- The DLIR Director, DLIR Deputy Director, and the designated representatives from each business area will fully support this initiative.
- DLIR SMEs will be available to provide input on business requirements and validate information.
- The Contractor staff will work with DLIR staff to document requirements impacting solution configuration early in the Project and throughout the life of the contract.
- DLIR will continue to use the current UI systems until all design, testing, implementation, and acceptance activities are completed successfully.
- The Contractor implementation staff members expected on-site at the DLIR offices located at 830 Punchbowl, Honolulu, HI 96813.
- The Contractor Project Manager, Technical Lead(s), and UI Functional Lead(s) – Benefits, Tax, and Appeals are expected to be onsite at 100%. All other implementation staff members are expected onsite up to 50%. DLIR reserves the right to demand any Contractor implementation staff be onsite as needed. DLIR prefers that Contractor implementation staff is co-located at the DLIR offices.
- When offsite the Contractor implementation staff are expected to be available during DLIR Office Hours 7:45 am – 4:30 pm HST, Monday through Friday.

10.22 Risks

Project Risks may include the following, but are not limited to:

1. Legislation or other regulatory action that could require changes in the business requirements after this RFP is posted and/or the Project has begun.
2. The possibility of future State and federal legislation could limit the availability of DLIR staff (business area and IT) as they may be diverted to implement mandates with short deadlines for other systems.
3. DLIR staff with Project knowledge may leave the agency or team.

4. The Contractor's ability to have the system successfully implemented within the targeted timeline.

10.23 Project Management Practices

DLIR has existing Project Management Practices and templates, including project planning and tracking, monitor and change control, issue resolution, risk management, and project closeout.

1. The Project Team will discuss the Contractor's practices and DLIR's practices and mutually agree in writing as to which practices apply and what tailoring is required.
2. In the event the Contractor proposes using any proprietary or hosted tools to support any of these practices, the Contractor must provide an agreeable approach/solution enabling DLIR access and the ability to retain the information.
3. Contractor shall trace and ensure that all requirements, including project functional and technical requirements are successfully met as defined by DLIR.
4. Contractor shall not commence User Acceptance Testing (UAT), and any potential subsequent UAT, until the Contractor have certified and demonstrated to DLIR, and with DLIR approval, that all requirements are met by the Solution, which includes hands-on verification testing by DLIR. This will need to be validated and demonstrated through scoring of the test matrix, requirements traceability matrix, and test phase/cycle results reporting.

10.24 Change Control Process

The Contractor shall conform to DLIR's Change Control Process during the contract period.

The process shall include:

1. Establishing a Change Control Board (CCB).
2. Establishing a process to document, assess, and estimate the disposition with requested changes.
3. Establishing traceability for the requirements as appropriate to the change control process.
4. Establishing a process for incorporating changes into the planned development and delivery cycle.

Changes to scope, schedule, costs, and individual requirements shall be managed with a robust Change Control Process, established jointly by DLIR and the Contractor.

The Change Control Process will include all necessary activities to control scope and once baselined, requirements for recording the needed approvals.

Contractor shall be responsible for furnishing, configuring, and managing a tool to document change requests and associated data.

Contractor shall collaborate with DLIR for scheduling meetings and managing the process of change requests, including initial categorization of change requests.

Contractor shall provide, impact analysis of potential change requests.

A contract amendment may be required in the event the change exceeds approved contract authority.

10.25 Requirements and Design Finalization

The Contractor will be responsible for definition and documentation of functional, nonfunctional, system requirements, and technical design specifications providing a holistic view of the proposed Unemployment Insurance System. Solution designs shall provide DLIR staff all information for the necessary operation of the system in compliance with all requirements.

Solution design artifacts shall provide both functional and technical details of the complete system enabling DLIR business and technical teams to understand base solution capabilities and define/approve recommended configurations and/or customizations. Thus, base product functional, non-functional, and system design specifications shall define all component level behavior as well as support full understanding of integrated user and data workflows.

Contractor Activities shall include, but are not limited to the following:

1. Creation of a fully comprehensive Unemployment Insurance replacement system design documents.
2. Contractor shall substantiate core system support of DLIR requirements mapped to core system capabilities. Substantiation shall be provided through supporting base product specifications or functioning prototypes.
3. Contractor shall design and specify the future cloud-based operating environment required to support the solution.
4. Contractor shall develop the Software Purchase and Licensing Plan with input from DLIR to include the complete list and quantity of licenses needed to operate Contractor's solution in all environments (development, test, UAT, production, etc.) including third-party software and hardware.

5. Contractor Itemize the costs of such hardware or software. Contractor agrees that in the event that additional licenses or software products not included in the signed contract and are required to satisfy such requirements, Contractor shall be responsible for the costs of any and all such additional software licenses. DLIR will retain ownership rights of all licenses.
6. Contractor shall maintain a current version to one version minus current software and hardware update strategy policy at all times during the project, where “N” in this case is the latest service pack, patch, major update, maintenance release, driver, firmware version, etc. and “N-1” is two releases older than the latest “N” release.
7. DLIR has final approval over all requirements resulting from progressive elaboration during the finalization of System requirements, and under no circumstances will the Contractor’s base code set, framework, COTS product(s), or any technical base proposed by the Contractor be used to determine finalized requirements unless DLIR approves.
8. Contractor shall conduct workshop sessions with DLIR to identify and further document the detailed requirements and business rules for all System functionality, interfaces, reports, notices, correspondence, notes, messages, workflow items, and data elements as a prelude to Detailed Design and coding of any System functionality.
9. If the Contractor is leveraging requirements artifacts related to a base code set, framework, COTS, etc. the artifacts and materials relevant for the specific workshop session shall be made available to the DLIR attendees within an agreed upon time frame prior to the commencement of the session, the workshop will be canceled, and the Contractor will be responsible for rescheduling the session, subject to DLIR staff availability.
10. Requirements finalization will be limited to existing functional areas and requirements contained within each functional area. The finalized requirements artifacts shall at a minimum meet functionality and features of existing systems as determined solely by DLIR. The result shall be a complete set of documented UI benefits, tax, appeals, financial management, and research and analysis, System functional and technical requirements that are ready for use in subsequent phases. DLIR has final approval over all functional requirements.
11. Requirements finalization continues throughout development in the event of any change in Federal or State Law, Hawaii Administrative Code, or Policy guidance. All legislative changes will be assessed by DLIR for delivery during the lifecycle of the project and post go-live.

12. Configurability and business rule implementation analysis shall be conducted in collaboration with DLIR, with the configurability of features and functions, and their specific methods of implementation, subject to DLIR approval.
13. DLIR is amenable to suggested improvement, elaborations, and innovations within the framework of its requirements and is receptive to augmentation, alternative approaches and/or other best practice approaches, if they are well-justified, acceptable to DLIR, proven as successful from another relevant implementation, and achievable within the fiscal and time constraints.
14. Any first party licensing shall be irrevocable in perpetuity to DLIR without any licensing costs.
15. Contractor may be subject to remedies as well.

10.26 Comprehensive Testing

Contractor shall test 100% of the DLIR requirements prior to the user acceptance test phase, including end-to-end testing within the SIT environment.

The Contractor shall conduct and support the following levels of testing, including but not limited to the following:

Test Phase	Acceptance Criteria
Unit Test	Based on demonstrated, documented test documentation.
Regression Test	At least 25% functional coverage with an emphasis on most frequently processed transactions and workflows.
System Test	Based on both entry and exit criteria being successfully met and signed off by DLIR.
Integration Test	Based on demonstrated, documented test documentation. This must include publication and consumption as applicable to the requirement.
User Acceptance Test	Based on both entry and exit criteria being successfully met and signed off by DLIR.
Performance Test	Based on both entry and exit criteria being successfully met and signed off by DLIR.
Stress Test	Based on both entry and exit criteria being successfully signed off by DLIR.
Accessibility Test	Based on both entry and exit criteria being successfully signed off by DLIR.

1. Contractor will document instructions and conduct knowledge transfer and training sessions with DLIR staff that will use the system to perform testing.
2. In addition to the execution of Contractor testing activities, the Contractor must support DLIR's UAT planning and execution. UAT will be performed by DLIR

users in the test environment using test data to confirm that the application meets all DLIR requirements.

3. Contractor will develop the UAT plan that includes the methods for documenting and communicating test results and responses to Contractor teams, DLIR, and other stakeholders.
4. Contractor will work with DLIR to define specifications and capabilities of the UAT environment.
5. Contractor will create test cases, test scripts, test data setup, test cycles, and necessary UI configuration, as needed. DLIR will perform acceptance testing with the support of the Contractor team. UAT activities will not be completed until DLIR confirms that all requirements are satisfied.
6. Contractor will provide fully documented Test Results and reported out upon request. These report out is to include, but not limited to the following:
 - Defect density rates over time and by test phase, category, and subcategory
 - Defect/fix rate
 - Defect/fix/reject rate
 - Re-open defect rate over time
 - Overall and modular testing status
 - Pass/Fail ratios
 - Open/Failed/Retest Items
7. Negative testing will be conducted at all levels of testing.
8. Migrated data shall be injected early in the testing process starting with integration testing.
9. All synthetic or mock data shall be provided by the Contractor.

10.27.1 Implement Automated Testing Solution

- A. The Contractor shall implement an Automated Testing Solution for executing Functional and automated Regression Tests, Accessibility Tests, and Performance Tests on all solution components.
- B. The Contractor shall document instructions and conduct knowledge transfer sessions with DLIR staff to perform automated testing.
- C. The Contractor shall provide all automated test script results to DLIR.

- D. The Contractor shall allow DLIR staff to use all automated test scripts for UAT and regression testing.
- E. Although there is a preference for 100% code coverage with automated tests, there is an understanding that constraints may be associated with meeting those standards. DLIR will require the Contractor to design and implement automated unit tests with a minimum of 80-90% code coverage of the system, using a risk-based collaborative approach to determine which tests should be automated and in which order.

For testing scripts that will not meet these standards, the Contractor shall request and be granted approval exception from DLIR.

Contractor activities include, but are not limited to the following:

- Collaborate with DLIR to jointly develop and execute automated tests.
- Collaborate with DLIR to manage all the testing efforts.
- Establish an Automated Testing environment(s) including test data.
 - Contractor shall propose an automated test tool(s) and load and performance test tool(s).
 - Contractor will initially populate the testing environment with test data.
- Provide documentation for Automated Testing solution including usage of the Test system and its environment(s), including but not limited to the following:
 - Creating and maintaining test scenarios and scripts
 - Logging, comparing, and exporting test results.
 - Coordinating testing with Contractor support staff
- Conduct knowledge transfer sessions with DLIR staff.
- All automated tests shall be executed on an agreed upon schedule.
- Automated smoke testing shall be conducted at the system and UAT levels.

10.27 User Acceptance Testing (UAT) Entry and Exit Criteria

Test Phase: User Acceptance Test

Entry Criteria	Exit Criteria
<ul style="list-style-type: none"> • System Availability and access is 99.9%. • Exit criteria for integration testing has been met for all prior iterations subject to DLIR approval to enter UAT. 	<ul style="list-style-type: none"> • No critical defects found; any critical defects identified during testing have been resolved. • Only 3% of test cases could have medium defects and 5% for low defects.

Entry Criteria	Exit Criteria
<ul style="list-style-type: none"> • Testing has been completed and results have been accepted with a pass rate of 100% per test case or as mutually agreed (for prior iterations), with no critical defects. (See OF-4 Requirements Traceability Matrix, System and Security Requirements attachment for Defect Management) • Business requirements and functional specifications have been met • All functional and technical requirements have been met as verified by the Contractor. • Load, performance, and usability testing performed and have met DLIR standards. • All system interfaces have been thoroughly tested and are ready for final UAT (includes coordination with external agencies/entities). • UAT test environment must be ready and configured per DLIR specifications and requirements. • All integration and system testing test cases have been executed and system test are considered complete. • All integration and system testing exit criteria have been met and deliverables are complete. • There are no outstanding defects. Outstanding defects will need to be approved by DLIR project team before UAT can commence. • Hand-off meeting is conducted to transition from integration and system testing to UAT. • Requirements Traceability Matrix is updated and approved by DLIR. • The UAT plan is finalized and approved by the DLIR project team. • Final UAT test cases, scenarios, and test scripts are drafted, reviewed, and confirmed by the DLIR project team and ready for execution. • Internet connectivity exists for UAT testing. • The appropriate environment for UAT is established and operational. 	<ul style="list-style-type: none"> • No workarounds for any functionality. • All business functionality is working in compliance with requirements. • All DLIR UAT test scripts are successfully tested as well as all DLIR ad hoc testing. • Technical requirements and technical specifications have been met as executed and verified by DLIR or DLIR designated entity. • All functional and technical requirements have been met as executed and verified by DLIR or DLIR designated entity. • Load, performance, and usability testing performed by DLIR or DLIR designated entity. • Security scans and penetration testing, and all other testing as defined in the testing section has been executed with outcomes documented and presented to DLIR and approved by DLIR. • All system interfaces have been thoroughly tested and are ready for final UAT (includes coordination and approval by external agencies/entities). • All legacy data has been converted and passed testing in the application with all reconciliation scenarios resolved at 100%. • All medium and low defects from UAT are resolved or a corrective action plan is created and approved by DLIR. • A fully automated training capability. • An on-line help is functioning. • All training materials, and training has been completed or scheduled. • All UAT activities and outcomes are documented, such as the test scripts, test outcomes, test plan, issues, action items, quality metrics, defects, reports, etc. • The Contractor creates a final UAT results report for DLIR approval.

Entry Criteria	Exit Criteria
<ul style="list-style-type: none"> • All software needed for UAT is successfully deployed and the configuration is completed in the test environment. • UAT test data is defined and the UAT environment seeded if needed. • Reconciled migrated legacy data shall be used for UAT. • Applicable user roles and system interfaces are set up and operational. • Test tracking tool is configured and ready for use and DLIR testers trained in its use. • UAT review and readiness meeting is conducted and signed off. • Security requirements for all UAT testers are identified and set up and approved by DLIR. • UAT resources are defined, and their availability is confirmed. • Code build and release schedule for defect resolution are established and approved by DLIR. • Confirmed system, data backup and recovery procedures for the UAT environment are in place and are tested. • Confirmation that the DLIR testing PC's have the following installed for onsite and remote UAT testers: <ul style="list-style-type: none"> ○ Printer and scanner connectivity ○ UAT URL and desktop shortcuts are made available. ○ Applicable browser options are identified. ○ Creation and validity of all defect-tracking tool user credentials is confirmed. • Regularly standing meetings shall be scheduled ahead of UAT commencing. • The UAT kick-off meeting has been completed, and the final UAT entry artifacts have been reviewed and validated by all stakeholders. 	<ul style="list-style-type: none"> • UAT “Close out” meeting is held. • Implementation planning has been completed and a deployment checklist, leveraging lessons learned, has been created outlining the activities that are required to Go-live (several dry or mock runs are required to ensure all tasks and expected time frames are understood by all). • The final release Go/No-Go meeting is conducted and all final UAT artifacts are reviewed and validated by all stakeholders.

10.28 Duration of Contract Services

UID shall administer contract(s) resulting from this RFP. The resulting contract is expected to be for an initial five-year contract term, with an option to extend for an additional five-year term.

10.29 End of Contract Services

DLIR and Contractor therefore agree to develop and implement a comprehensive transition plan (the “Transition Plan”) designed to achieve an efficient transfer of responsibility to another entity, in a timely manner, and to cooperate fully throughout the post-termination period until such transition is complete.

Contractor and DLIR shall develop a Transition Plan for the orderly, effective transition of data and operations at the termination of this Contract. The Transition Plan will specify the tasks to be performed by the parties, the schedule for the performance of such tasks, and the respective responsibilities of the parties associated with the tasks.

The Transition Plan will be completed at a date agreed upon by DLIR and Contractor, but not later than six (6) months from the award of the Contract. The written Transition Plan shall include, at a minimum, the procedures and schedule under which the following occur:

- The Contractor’s and the DLIR’s transition managers will meet to review the status of Transition Plan activities and to resolve any issues.
- All DLIR data and information, documents, mail, instruments, and other relevant information are transferred to DLIR, via secured means.
- A transfer of knowledge plan to be agreed upon with DLIR to transfer knowledge to the replacement Contractor, as necessary.
- Any interim measures deemed necessary to ensure compliance with federal and State law and regulations are taken.

Final approval of the Transition Plan resides with DLIR. The Contractor and DLIR will revisit the plan annually each year of the Contract. The termination of services under this Contract, occurring for any reason, will be governed by and follow the approved Transition Plan.

Contractor shall cooperate with DLIR to assist with the orderly transfer of the services, functions, and operation provided by Contractor hereunder to another service provider.

Contractor personnel critical to the transfer efforts will be identified by the parties.

Contractor will ensure the cooperation of its key employees during the transfer process.

Contractor will provide full disclosure to DLIR of all services required to perform services previously performed by Contractor within thirty (30) calendar days of any DLIR request for same.

Contractor will exercise reasonable efforts to affect a transfer of license or assignment of agreement(s) for any Software or third-party services utilized by Contractor to provide services to DLIR.

Contractor will ensure that DLIR obtains appropriate access to third-party services, hardware, software, personnel, and facilities required to perform an orderly transition.

Contractor's performance of the Exit Services shall meet or exceed the same degree of reliability, accuracy, quality, completeness, timeliness, responsiveness, productivity, and resource efficiency that it provided throughout the contract.

Regardless of solution offered the Contractor will provide all services associated with this RFP until the successful transition to another Vendor is complete.

Post transition activities will include but not be limited to:

1. The verification that of all DLIR data including metadata has been removed and sanitized from the Contractor's hosted solution.
2. Comply with audit verification that all data has been transferred that is necessary for record retention, access logging and investigation, confirming that no data is retained once the transfer is complete, received, and usability into the future state system has been confirmed.

The Contractor will pay all additional costs incurred by DLIR that are the result of Contractor's failure to provide the requested records, documents, data, or materials within the time frames agreed upon in the Transition Plan.

In the event, any Contract resulting from this RFP expires or is terminated for any reason before the end of the Contract period, Contractor shall extend the services hereunder for a period up to three hundred sixty-five (365) calendar days (time period is at sole discretion of DLIR), or until such time as services of a new Contract is in effect and implemented, as determined by and at the sole discretion of DLIR.

Following this Termination Assistance period, Contractor will answer questions from DLIR on an "as needed" basis. Contractor will work with DLIR, and any other organization(s) designated by DLIR to facilitate an orderly transition of services at the end of the Contract term.

Contractor shall cooperate to this end with another Contractor of DLIR's choice, in a timely and efficient manner.

Contractor shall provide certification of the complete and permanent deletion and sanitation of DLIR data and backups from all Contractor storage.

10.30 Annual Software Maintenance and Support Subscription

Implementation and Ongoing Services detailed responsibilities can be referenced by the following attachments:

1. Offeror Form OF-9 Implementation Service Requirements
2. Offeror Form OF-8 Ongoing Services Requirements

Contractor Post Implementation Project support and services will include the following:

- Unemployment Insurance System hosting, Disaster Recovery (DR) facilities. All Hawaii data shall remain located in the United States.
- Annual subscription, maintenance, and support for all environments.
- Upgrades, releases, and patches if applicable.
- Change Management activities to include the following:
 1. Release packaging and coordination (calendar; frequency; content prioritization; functional, regression, performance, and release testing; and communications)
 2. Release Process and Procedures
 3. Minimum / Maximum number and types of releases
 4. Release Notes
- Updates to all System documentation to reflect any changes that have occurred during the Warranty and/or Annual Software Maintenance and Support period(s), including but not limited to the following:
 - Requirements
 - Detailed design document
 - Security
 - Operations
 - Reporting
 - Training materials

After the launch of the full modernized Unemployment Insurance system, Contractor will provide at least one (1) FTE staff member to be onsite and available during DLIR business hours, dedicated to DLIR, to function as a Product Analyst for the duration of this Task. Responsibilities will include functioning as a SME for DLIR staff and serving as a Liaison between the Contractor and DLIR.

Activities include:

- Facilitate requirements documentation for future solution enhancements.
- Explain and clarify future Contractor releases.
- Assist with issue and/or defect reporting and resolution as appropriate.
- Other solution related activities as directed by DLIR.

Contractor shall provide DLIR at least one week's notice of any maintenance which could interrupt service.

Contractor shall conduct service operation activities that conform to industry best practices such as, Information Technology Infrastructure Library (ITIL) or Capability Maturity Model Integration (CMMI).

Contractor shall plan and conduct all access management activities consistent with DLIR standards and policies.

Contractor shall provide version history of all development documentation and artifacts.

Contractor shall provide version control of all application code.

Contractor shall have ongoing Production Release Versioning Conventions for all new custom developed applications released into all environments.

Contractor shall provide the ability to browse a database containing problems, technical questions (knowledge base), and the ability to fix problems electronically.

Contractor shall provide any ongoing system modifications or additions necessary to enable the system to operate according to all mandatory technical, security, and functional requirements. All ongoing system modifications and additions implemented shall become part of the base product and not require additional fees/costs in the future to reapply these changes when the system is upgraded as approved by DLIR.

All scheduled system maintenance in production and pre-production environments shall be performed outside of agreed upon schedule business hours. The standard maintenance window(s) will be approved by DLIR and posted with an agreed upon schedule. Scheduled maintenance notices shall be posted on the home page a minimum of one week prior to the maintenance period.

Contractor shall ensure that the System shall have the capability to allow for the ongoing performance of minor repairs, routine maintenance, system checks, archiving and backups without taking the application out of service, unless otherwise agreed to by DLIR.

Contractor shall ensure that all installed software stays current with supported versions of all underlying software as approved by DLIR.

Contractor tasks including but not limited to the following:

1. Maintain the system(s) activities, maintenance tasks, issues, defects, and database changes.
2. Assist DLIR in identifying and prioritizing problems and enhancements.

3. Resolve any outstanding system problems.
4. The Contractor shall develop an approved Release Schedule and Plan
5. Problem fixes, enhancements, and other upgrades shall be grouped into scheduled, regular releases of the system.

Contractor shall provide the development process used to rollout application changes and infrastructure changes as approved by DLIR.

Contractor's development cycle shall support continuous design, continuous testing, and continuous integration as approved by DLIR. The Contractor shall provide information about how this is achieved and the tools that facilitate this process as approved by DLIR.

Contractor shall provide a means to track software and hardware updates/ failures/ replacements as approved by DLIR.

Contractor shall ensure test coverage and perform vulnerability testing in a fully configured production like system.

Contractor shall provide optimization of the system including but not limited to the following:

1. Servers in all tiers
2. Data repository
3. Network components

Contractor shall provide technical/help desk unlimited phone and email support for DLIR users is to be available 24 hours a day, 7 days per week during the duration of the contract.

Contractor shall keep a log of all maintenance/technical support calls and document the complaints and problems reported to the help desk system by DLIR staff.

- The log shall be made available to DLIR upon request. All data captured in the log shall be the property of DLIR and be provided to DLIR at the end of the contract and upon request by DLIR. The log shall contain the following information, including but not limited to:
 - Time of call
 - Name of caller
 - Name of Contractor staff receiving call
 - Caller's telephone number and/or email address
 - Description of reported problem/complaint
 - Priority/severity of the problem
 - Whether the problem/complaint was resolved at time of call
 - Description of any follow-up investigation/resolution plans
 - Assigned case number if resolution not provided during call.
 - Date of and description of final resolution

The Contractor shall provide standard reports that categorize calls and issues received by the Contractor that include but are not limited to the following:

1. Give insight to issues users are encountering.
2. Give insight to potential training issues on system use.
3. Give statistical data on call/issue volumes with breakdowns by functional area, i.e., benefits, tax, etc., and user and time taken to resolve calls.

10.31 Deployment Planning and Execution

The Contractor will perform activities necessary to fully implement the solution including but not limited to the following:

- System configurations
- Customizations
- Data conversion and migration
- Interfaces
- Reports, analytics, and dashboards
- Organizational change management
- Testing
- Training

Activities include but are not limited to the following:

Verification that necessary system functions are available and/or that alternative solutions are developed to help avoid major disruption of services to customers and to prevent delays in paying UI benefits when due and collecting tax payments as identified in the ETA 9177 Report – Pre-implementation Planning Checklist Report for State Unemployment Insurance (UI) Information Technology (IT) Modernization Projects (https://wdr.doleta.gov/directives/attach/UIPL/UIPL_11-18_Change_1.pdf) in the current version at the time of implementation.

Develop detailed narrative implementation report.

1. Report shall be approved by DLIR and submitted to the U.S. DOL ETA approximately 180 calendar days (6 months) prior to the projected implementation “Go-Live” date.
2. Support includes any clarifications or follow-up requested by DOL. Create and execute Deployment Readiness Plan for each deployment.
 1. Create Readiness Checklist and fallback cadence (legacy system).
 2. Identify day of deployment action items, primary and secondary task owners.
 3. Define and successfully execute mock go-live dry run(s).
 4. Report on UAT results, all defects shall be resolved prior to go-live.
 5. Receive Go/No-Go Executive Decision from DLIR.
 6. Create and execute Day of Deployment Plan for each deployment including but not limited to the following:

- Identify a Communications Officer in collaboration with DLIR and develop and define a Communications Plan
- Define Command Center / Communications Line (i.e., Zoom, Teams, etc.) during each deployment.
- Identify day of deployment action items and status updates throughout the day including but not limited to the following:
 - Estimated time frame for activity completion.
 - Primary and secondary task owners
 - Rollback approaches
 - Test dependencies
 - Enlist support from DLIR.
 - Provide end user support.
 - Create, implement and staff Help Desk Ticket Management Process.
- Demonstrate that the system is fully operational for ninety (90) calendar days with no Severity 1 defects.

10.32 Data Conversion and Data Cleanse

Contractor shall use a software development methodology which effectively incorporates data migration into the overall development process, and as early as possible.

Contractor shall perform data and image conversion from existing systems/applications to the System as a part of the conversion efforts.

Contractor’s responsibilities shall include functions and processes necessary to ensure the successful conversion (requirements and consumption) to the proposed System.

Contractor shall provide enough data during conversion to support Federal reporting needs.

Contractor shall provide and support a robust data reconciliation process.

For each task listed in the table below, the Contractor shall certify their compliance or non-compliance. For non-compliance the Contractor will propose a solution and explain how this will be different and why within the submittal packet.

Task: (R=Responsible, A=Accountable, C=Consulted, I=Informed) *		Hawaii	Vendor
1.	Lead the data conversion effort	C, I	R, A
2.	Data conversion planning and methodology	C, I	R, A
3.	Provide data mapping from System perspective	C, I	R, A
4.	Develop data transformation rules	C, I	R, A
5.	Complete transformation of data (consumption into Proposed UI System)	C, I	R, A
6.	Create reusable data upload ETL scripts	C, I	R, A

Task: (R=Responsible, A=Accountable, C=Consulted, I=Informed) *		Hawaii	Vendor
7.	Upload data to the Proposed UI System	C, I	R, A
8.	Provide reports to the DLIR for validation and comparison to downloaded data	C, I	R, A
9.	Develop a data conversion validation system testing plan including test scripts	C, I	R, A
10.	Perform conversion validation testing of the data conversion	R	R, A
11.	Provide report identifying reconciliation method, approach, results [control totals, exception rates, and usability rates]	C, I	R, A
12.	Provide data mapping from the Legacy perspective	C	R, A
13.	Extract legacy data from existing systems/applications	R	C
14.	Prepare for Vendor transformation of data where applicable	R	C
15.	Validate uploaded data	C, I	R, A
16.	Provide reports for validation and comparison to Contractor's uploaded data	R	C, A
17.	Develop a data conversion acceptance testing plan including test scripts	C, I	R, A
18.	Perform acceptance testing of the data conversion	C	R, A

* **Responsible** - Anyone responsible for completing tasks. **Accountable** - Anyone who is accountable for the project. **Consulted** - Anyone who should be consulted. **Informed** - Anyone who should be informed about project progress.

10.33 Demonstrations, Education & Awareness

The Contractor will provide demonstrations, education, and awareness sessions early and often in accordance with the implementation schedule. This schedule must be approved by DLIR. The early and often demonstrations, and education and awareness sessions are paramount to the success of the implementation.

The Contractor will provide hands on training, training material, and access to a sandbox environment where they begin practice navigating and gaining hands-on application experience. The initial focus will need to be targeted towards the core application configuration along with core processes then roll out the next round of training once DLIR is comfortable.

Development extensions require proactive demonstrations and review by DLIR as they occur.

10.34 Software Escrow

Depositor/LICENSOR represents to Beneficiary/LICENSEE that Source Materials delivered to ESCROW AGENT shall consist of the following:

The Source Materials include, for the Custom Software, Pre-Existing Software, COTS Software, and other Contractor Technology for LICENSOR, its COTS Software licensors, and its Contracting Assisting Entities, the Source Code Form for the Software, the object code for the Software, and all relevant commentary, explanations, and other documentation of the Software, including but not limited to:

- Functional specifications (which describe the function of a Software module from a user point of view in detail) and Software designs for the software, including but not limited to background and detailed instructions for a programmer, the database schema, entity relationship diagrams (where applicable), data objects, and user interface objects. In the case of data interfaces, which have limited user interfaces, it also includes a description of how the overall interface will work on a technical level, the content and format of protocols streams, and shaming considerations. This documentation will also include information describing how to compile and link the source modules to obtain working software, as well as data structures outside of the module which are required to configure or drive the module.
- Source code and documentation for database definition and database procedures (SQL definitions), graphical user interface modules, data interface modules and other Software modules, including but not limited to build procedures.
- Deliverable installation media of current product release, product upgrade media for upgrades issued within three years of each escrow deposit.
- Quality assurance tools, including but not limited to test suites.
- Manuals and training manuals.
- Software installation and support policies and procedures.
- The platform on which the Software operates, including but not limited to hardware, operating system, utilities, and network connectivity.
- The compiler components for the Software.